

Daily Report

East Asia

FBIS-EAS-95-076 Thursday 20 April 1995

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ROK Finance Minister Meets With Rubin in Bali

SK1604020195 Seoul THE KOREA HERALD in English 16 Apr 95 p 8

[FBIS Transcribed Text] Minister of Finance and Economy Hong Chae-hyong called for U.S. Treasury Secretary Robert E. Rubin to help ease bilateral trade tension over Washington's recent filing of a complaint against Seoul with the World Trade Organization (WTO).

Details of the Hong-Rubin meeting were not immediately known, except that the Korean finance minister might have reiterated the Seoul government's position to his U.S. counterpart that the two countries have more time to discuss the matter instead of seeking a hasty solution at the global trade watchdog.

The latest trade friction between Korea and the United States emerged April 5, when Washington brought Korea's time-consuming quarantine and inspection of U.S. citrus products to WTO's fast-track dispute settlement procedures, criticizing it as nontariff trade barriers.

Seoul, which already sharply reduced the inspection period as demanded by Washington just before the U.S. action was made, tried to settle the controversy through bilateral talks outside the WTO but failed to change Washington's mind. Korea later attempted to extend the WTO dispute settlement period from 30 to 60 days, but has yet to see any favorable response from the United States.

Both Hong and Rubin are currently attending the Asia-Pacific finance ministers' meeting in Bali, Indonesia and the bilateral meeting was made at the proposal of the Korean minister.

During the bilateral meeting, Minister Hong also said that Korea is willing to include the market opening steps Seoul has already taken in its offer list to be submitted to the WTO multilateral financial negotiations, which is the follow-up of the Uruguay Round of free trade agreement.

Hong, also deputy prime minister for economic affairs, will deliver a keynote speech today on the Korean economy at the finance ministers' meeting held under the auspice of the Asia-Pacific Economic Cooperation (APEC) forum.

He said that the Korean government is committed to its basic position that it would overcome multifaceted challenges by creating a more open, transparent and marketbased environment, adding that even more effort will be placed on market opening and financial deregulation this year.

"For Korea, globalization represents its firm commitment to improving its systems, practices and way of thinking to become more integrated into the global economy," Hong said. The Korean minister noted that Korea will also change the tariff rate and tax subsidy system to make them more compatible with the WTO system.

Reminding the audience that Korea filed a formal membership application with the OECD, Hong said, "In preparation for the admittance, we will take additional steps to match our economic practices more closely with the OECD guidelines."

Singapore Hails APEC Plan on Financial Stability

BK1904033195 Singapore THE STRAITS TIMES in English 18 Apr 95 p 36

[Report by Tan Kim Song in Bali]

[FBIS Transcribed Text] Asia-Pacific Economic Cooperation (APEC) finance ministers' decision to undertake voluntary and timely disclosure of key financial and economic information on a regular basis marked a major change in the member economies' determination to maintain financial stability in the region, Finance Minister Richard Hu said yesterday.

In an interview with THE STRAITS TIMES, he described the decision as being one of the two most important agreements that had resulted from the second APEC finance ministers' meeting, which took place here last Sunday.

The other important decision was to ask the International Monetary Fund to examine the effects of exchange rate movements on trade and investment in the region and thereafter to draw policy conclusions from the study. But he said concerted and unified policy responses by all APEC countries to deal with problems posed by the volatility of exchange rate movements and capital flows were not possible at all.

Neither is APEC likely to evolve into the Asia Pacific version of the G-7 [Group of Seven] group which engages regularly in monetary and exchange rate policy coordination.

"APEC is too diverse and disparate a structure to have any G-equivalent at all."

Dr. Hu noted that the decision was driven by last December's Mexican peso crisis.

"We felt that there was no early warning sign at that time, which should have been available to alert the market about the potential collapse."

The best way to dispel the misperception in the financial market of a Mexican-type crisis within APEC was to provide them with transparent and sufficient information on the economic fundamentals in each APEC economy, he noted. "The exercise could well encourage Latin American economies like Brazil and Argentina, which are caught in the same problem, to do a similar thing."

On the watered-down version of the agreement to share information in the joint statement, he said this showed that APEC meetings were not dominated by any particular country.

It is understood that the United States had wanted a much stronger agreement on such voluntary and timely disclosure of information.

An earlier draft of the joint statement not only specified the type of data likely to be included in the scheme but also said an ad hoc working group would be set up to implement the plan.

On the future role of the finance ministers' meeting within APEC, which has been dominated so far by officials from trade ministries, Dr. Hu noted there was a fundamental difference between trade and finance issues.

Unlike finance, trade deals with tangible issues, about which specific measures can be taken, he said.

"You can cut tariff rates by 10 percent or open markets by a certain time. But you can't dictate that the exchange rate drops by a certain percentage point by a certain time. So, one should not expect the same clear-cut definite steps in finance ministers' meetings."

Furthermore, the APEC finance ministers' meeting would not be institutionalised as an annual event.

"We have agreed to meet again next year in Kyoto because of the important studies we have initiated this year and of the need to review the progress of the studies."

The finance ministers would decide then whether there is a need to hold another meeting in 1997, he said.

'Excerpts' of APEC Ministerial Statement BK1804140695 Bangkok THE NATION in English 18 Apr 95 p A5

["Excerpts" of the text of the joint Apec finance ministerial statement released in Bali]

[FBIS Transcribed Text] Apec [Asia-Pacific Economic Cooperation] met for a second time to discuss the economic challenges facing the Asia Pacific region and the opportunities for action that could assist individual economies in meeting these challenges. This meeting provided an opportunity for a frank exchange of views, the sharing of experiences, and a greater understanding of each others' concerns and interests.

Our discussions here today of the challenges facing the region were conducted on the basis of cooperation, consensus, and collegiality and were meaningful and productive.

This past November in Bogor, the Economic Leaders of Apec issued a call to usher in an area of free and open trade and investment in the region by not later than the year 2020 and to intensify development cooperation among our economies. We are all committed to these goals and view the maintenance of stability in financial markets as a key requirement for their achievement.

Economic developments: The Asia Pacific remained the fastest growing region in the world last year despite significant fluctuations in global financial markets.

These fluctuations had a significant impact on the economies of the region through, among other events, shifting capital flows and rapidly moving exchange rates.

In order to promote better understanding of each other's concerns, views were exchanged on the impact of this and other recent economic developments on each of our economies.

In reviewing recent economic developments, and the policies adopted to address them, we noted the increasing importance of regional economies in the global economy, as well as the growing economic interdependence of member economies.

We also noted that attaining our goals of free and open trade and investment increases the exposure of our economies to market forces from the global financial marketplace.

While this carries with it a number of significant benefits, it also increases the importance of sound and sustainable macroeconomic policy in maintaining the dynamism of the region.

We feel strongly that each Apec member must pursue macroeconomic policy on its own. However, collaboration and cooperation through meetings such as this enhances our joint ability to attain macroeconomic stability.

Capital flows: Global capital flows have grown substantially over the past five years. Capital flows into Apec member economies can be growth enhancing where they contribute to productive investment.

Efforts to encourage such flows play an important role in supplementing polices, aimed at raising domestic savings to finance needed investment in Apec member economies. With the growth of capital flows, and the increased reliance of all economies on them, has come increasing vulnerability to rapid shifts in the quantity and directions of such flows.

It is often difficult for authorities to determine in advance whether capital inflows are driven by short-term speculative motives or by longer term intentions.

However, policies governing the macroeconomic environment play an important role in encouraging longer term investor commitment.

It this regard we wish to express our appreciation to the International Monetary Fund (IMF) for its study entitled Portfolio Capital Flows, which greatly facilitated our discussions.

Based on the experiences of our economics and on the experiences discussed in the IMF study we concluded that the risk of capital inflows being quickly reversed can be minimized if governments demonstrate a commitment to prudent fiscal and monetary policies leading to macroeconomic stability.

We would also encourage the IMF to consider ways to improve current mechanisms to respond effectively to problems in this area.

Improved economic surveillance would be an important initial step in this regard.

It is also important to take the necessary steps to improve the quality of capital flows; that is, to promote flows that generate real economic returns and hence are less susceptible to sudden reversal. Direct investment and diversified portfolio inflows are especially welcome for this reason.

We observed that one reason for rapidly shifting capital flows is the difficulty that financial markets face in knowing what is happening in an economy on a timely basis.

Unlike public corporations, many governments have few obligations to publish detailed information on their financial operations.

For this reason we believe that increasing the availability of economic and financial information about our economies can play an important role in enhancing the confidence of financial markets in the strength of regional fundamentals which can, in turn, help sustain high and stable capital inflows.

The strong track record of many of the Apec economies makes this a region that has much to gain from informing investors on a timely basis of key economic and financial developments.

We therefore have reached agreement to develop recommendations regarding voluntary and timely public disclosure on a regular basis of economic and financial information of interest to financial markets.

We also observed that capital market development in the region is important to smooth capital flows and to mobilize sufficient domestic capital to reduce over-dependence on capital inflows in some economies.

In this area we have much to learn from each other. Moreover, with the internationalization of capital markets, it is increasingly important that the regulatory authorities of member economies build ways of cooperating with each other.

It is also important, in the context of strengthening capital markets, that we support international antimoney laundering efforts in the region and encourage adherence to the international standards and recommendations which have been developed in this area.

Exchange rate movements: We discussed the effects of exchange rate movements on trade and investment on member economies, recognizing that the impact of exchange rate movements varies substantially among the economies of the region.

We agreed that there is no one optimal exchange rate policy for all regional economies. But one policy goal emerged as fundamental—pursuing macroeconomic stability and balance.

This means control over inflation and sustainable deficits, both fiscal and external.

As we concluded last year, sound macroeconomic policies are the essential prerequisite for sustained, lowinflation growth.

Exchange rate policy alone cannot substitute or compensate for unsound macroeconomic policies. Instead, exchange rate policies must form an integral part of an overall macroeconomic policy framework for each of our economies.

Those of us who deal day-to-day with the challenges created by the current world exchange rate system understand that rapid exchange rate movements create problems both for our own economies and for economies with which we have close ties.

Thus, we recognize that adopting policies that promote domestic macroeconomic stability will have beneficial impacts beyond our borders and thus such policies should be encouraged in all of the regional economies.

Moreover, we believe that economies that adopt such policies will find that global financial markets respond favourably.

Even with prudent macroeconomic policies in place, individual economies can still be substantially affected by excessive volatility in the value of our currencies.

We express our concerns over the recent developments in the foreign exchange market that do not reflect economic fundamentals.

We agreed that there should be a determined effort to attain stability in the foreign exchange market, as such stability would benefit all member economies.

Furthermore, given the importance of exchange rate movements to our economies, we believe that substantially more research is needed on the forces that move exchange rates and, particularly, on the impacts of exchange rate movements on trade and investment flows.

To that end we ask the IMF to prepare a study of the impacts of exchange rate movements on trade and investment in the Apec region. Such a study would assist further work by our deputies on this subject at their next meeting.

In particular, we ask our deputies to review the IMF study and identify key conclusions and issues as a basis for our further discussion next year.

Funding for infrastructure development: We also had a constructive discussion on the importance of infrastructure development in the region to sustain non-inflationary growth toward the 21st century.

This discussion benefitted from the valuable paper prepared by the Asian Development Bank.

We stressed the need to address the medium- and long-term challenges of mobilizing capital flows for infrastructure development.

We noted the increasing role of both domestic and external private resources to meet the need to invest in physical infrastructure as a supplement to government financing and the resources of international financial institutions.

With the increased role of domestic and external private financing in infrastructure development, we see a clear need for coordination of public and private resources in financing infrastructure development. From our discussions, it is clear that various member economies have experience in this area that should be shared more broadly.

Trade facilitation: We are also resolved to contribute to the overall Apec effort to pursue trade and investment liberalization, cooperation, and facilitation. In particular, as many of us have responsibility for customs operations, we welcome the achievement of our customs authorities so far and encourage them to continue their trade facilitation efforts.

Future meetings and activities: While much was accomplished at our meeting, it is clear that much remains to be done.

Thus, we have decided to continue to review macroeconomic development and market situations in the region, as well as to explore further the fundamental economic challenges facing the region.

We look forward to having the opportunity to meet again next year in Japan for this purpose and ask our deputies to undertake the necessary preparations for that meeting.

To assist us in our collective efforts, we have formed a Working Group to advance our work this year in three areas: financial and capital markets, mobilizing private capital for infrastructure development, and effect of exchange rate movement on trade and investment.

We have asked the group to report to the 1996 finance ministers meeting.

At our meeting in Hawaii, we requested that several organizations and groups take action in support of our efforts.

Japan

Auto Chief Rules Out U.S. Parts Procurement

OW2004132095 Tokyo KYODO in English 1254 GMT 20 Apr 95

[FBIS Transcribed Text] Tokyo, April 20 KYODO—An auto industry leader Thursday [20 April] ruled out the possibility that Japanese carmakers will increase their purchases of U.S.-made auto parts.

Automakers "have no intention at all of changing their plans or making new ones," said Yoshifumi Tsuji, acting chairman of the Japan Automobile Manufacturers Association.

Existing plans already involve the largest possible purchase targets, Tsuji told reporters.

Automakers, therefore, will revise their plans neither upward nor downward, he said.

Japanese carmakers' plans to buy U.S.-made parts are a focal point of stalemated trade talks between Japan and the United States, with American negotiators calling for additional purchases.

Tsuji said the bilateral auto trade negotiations have failed to make headway because the United States is sticking to its call for a "voluntary" Japanese import plan, equivalent to a numerical import target, while resorting to bargaining strategies based on the threat of imposing trade sanctions.

With regard to complaints that the yen's steep appreciation is linked to the stalemated auto trade talks, Tsuji, also president of Nissan Motor Co., said the negotiations and the strong yen should be separate issues.

He also said the Japanese auto industry's efforts, as manifested by sharp increases in car imports and the overseas procurement of parts, should be "appreciated more correctly."

While the strong yen will inevitably increase Japanese manufacturers' shift to overseas production, the security of domestic jobs will be "most difficult," Tsuji said.

Reaction to Takemura-Rubin Talks in Bali Noted

U.S. Criticized at Cabinet Meeting

OW2004135495 Tokyo MAINICHI SHIMBUN in Japanese 19 Apr 95 Morning Edition p 2

[FBIS Translated Text] Criticisms against the United States for not taking effective measures to check dollar depreciation burst out at the informal cabinet meeting on 18 April, which was attended by Finance Minister Masayoshi Takemura, who had just returned from the Japan-U.S. finance ministers' meeting in Bali, Indonesia. Takemura tried to explain that "(the U.S.) did not speak highly of the yen appreciation measures, but neither was there any expression of dissatisfaction or

criticism." Nevertheless, nervousness grew as the yen continued to increase that day.

Posts and Telecommunications Minister Shun Oide started off the criticism at the ministerial meeting. Oide said: "We cannot stand the way the United States deals with the issue. I want to ask them what they have done to deal with their double deficits. The U.S. attitude of laughing at and ignoring Japan's efforts is not fair." He criticized U.S. Treasury Secretary Robert Rubin's attitude at the bilateral finance-ministerial talks.

Takemura explained: "Secretary Rubin was well aware of the situation, but he mentioned that the exchange market did not respond to this [Japan's yen-curbing package]."

Home Affair Minister Hiromu Nonaka pointed out that: "Rubin could have, at least, mentioned plans to review the dollar's role as a key currency." Transport Minister Shizuka Kamei also expressed his dissatisfaction, saying: "We would like to know what the United States is thinking as a key currency country."

Takemura stated that he will assert Japan's position at the meeting of G-7 finance ministers and central bank governors set for Washington in late April. Prime Minister Tomiichi Murayama had also told reporters earlier that: "I think the United States will take appropriate measures because the key currency's value is falling."

However, none of the ministers did any soul-searching at the meeting on the Japanese administration's failure to adopt an independent monetary policy over the years because of its obsession with the dollar, which was losing its position as a key currency. Although the ministers voiced strong criticisms, they are, as usual, still pinning their hopes on illusory policy coordination with the United States.

'Vexation' in Finance Ministry

OW1904135095 Tokyo NIHON KEIZAI SHIMBUN in Japanese 18 Apr 95 Morning Edition p 5

[FBIS Translated Text] On 17 April, the yen bounced back on the foreign exchange market after the Japan-U.S. finance ministerial talks held on Bali were branded as "failure" because the "United States did not defend the dollar" at the talks. Shortly after Ryutaro Hashimoto, international trade and industry minister, made an implicit remark regarding the issue of yen-dominated bonds by the United States, on which the prospects of Japan and the United States reaching an agreement were slim, the United States explicitly rejected the offer, thereby increasing disappointment in the foreign exchange market. A senior Foreign Ministry official says the finance minister attended the Japan-U.S. finance ministerial talks with the "best gifts of the emergency package for halting the yen from further surging and a cut in the official discount rate." The Finance Ministry is discomfited by the market's cool reaction to the emergency package and Minister Hashimoto's implicit remark.

Speaking in a television talk show on the morning of 16 April, Minister Hashimoto confidently said that the United States would issue yen-denominated bonds to raise funds to buy back the dollar on currency markets. He also said: "I think Mr. Takemura will propose that this morning." He even hinted at the prospect of the United States accepting the offer. At a news conference held shortly after the Japan-U.S. finance ministerial talks, however, U.S. Treasury Secretary Rubin emphatically said the United States has ample funds to intervene in the foreign exchange market to buy back dollars. The U.S. treasury secretary unequivocally said "no" to Takemura's offer.

At Minister Hashimoto's behest, the Finance Ministry has secretly examined the possibility proposing that the United States issue yen-denominated bonds while studying the Carter administration's issuance of the "Carter Bond" to raise funds to intervene in the foreign exchange market. The impression that the Finance Ministry has gotten in the course of making preliminary contacts with U.S. officials is that the possibility of the Untied States accepting the proposal is nil (according to the International Finance Bureau).

Tokyo has sounded out Washington about the proposal, but Washington has rejected it. After learning this, the market has visibly taken the exchange as a rift between Tokyo and Washington. "The Finance Ministry had no intention of shedding light on the details of what was discussed at the Japan-U.S. finance ministerial talks" (says a senior Finance Ministry official). Minister Hashimoto disclosed details of the exchange at the finance ministerial talks and a group of reporters pressed the Finance Ministry for details, thereby scuttling the Finance Ministry's original plan.

A source traveling with the finance minister on his trip to Bali says: "The finance minister was aware of U.S. intentions." At the 17 April news conference, Vice Finance Minister Saito said: "We must not have overly optimistic expectations for the talks."

Ostensibly, the Finance Ministry is taking a stance of dealing calmly with the issue of making the United States issue yen-denominated bonds. A senior Finance Ministry official expresses distrust of Minister Hashimoto, saying: "He should have not spoken about undecided things." The Finance Ministry thinks that "it has done what it has to do" to stabilize the foreign exchange rate. Therefore, another rise in the yen triggered by the latest Japan-U.S. finance ministerial talks is fueling a feeling of vexation within the Finance Ministry.

U.S. Called 'Half-Hearted' on Dollar Slide

OW2004054595 Tokyo KYODO in English 0532 GMT 20 Apr 95

[FBIS Transcribed Text] Tokyo, April 20 KYODO— Prime Minister Tomiichi Murayama on Thursday [20 April] blamed the U.S. reluctance to push dollarsupporting policy coordination with Japan on the "gap in the relative pain" Japan and the United States feel in the face of a plunging dollar.

"In reality, we are facing difficulties in securing (policy) coordination as there is a 'temperature gap' in the extent of the severity and pain Japan has received and the pain the U.S. has received" as a result of the dollar's recent nose dive against the yen, he said.

Murayama was responding to questions from House of Representatives legislators in connection with growing criticism among Japanese politicians that the U.S. has been too half-hearted in arresting the dollar's slide.

He made the comments following a string of full-force dollar-supporting interventions by the Bank of Japan in recent weeks that has contrasted sharply with limited-scale action by the U.S. Federal Reserve as well as a bout of recent comments of sharply differing tones by Japanese and U.S. leaders on the dollar's plunge.

However, Murayama quickly added he believes the U.S. "has made appropriate efforts to ensure the dollar will receive proper appraisal as the (global exchange system's) central currency."

Murayama rejected criticism that the efficacy of a recently unveiled package of fiscal, administrative and monetary policies to block the yen's further ascent lacks the substance to stimulate the economy and open the market to foreign access.

The package "has received some positive appraisal as it has pointed to the direction (of policies) that Japan should pursue steadfastly," he told the lower chamber's Budget Committee.

The premier spurned the demand from the opposition Shinshinto (New Frontier Party) member Eisei Ito that his administration resign en masse to take the blame for failing to produce effective steps to shield Japanese people from the adverse impact of the yen's rampage.

Murayama vowed to confront the plunging dollar with strong resolve "so that relevant countries will cooperate to make utmost efforts to stabilize exchange rates through sufficient consultations and coordination."

In a related response to the Diet interpellation, Finance Minister Masayoshi Takemura told the panel the current exchange rate "is not right however deeply I think about it."

However, Takemura suggested it may take time before some remedial measures can be found to cure the dollar's malaise, saying, "The current (yen-dollar exchange rate) level should be corrected, although it may take time."

Meanwhile, International Trade and Industry Minister Ryutaro Hashimoto rejected calls from some domestic quarters that Japan should set a numerical target to pare down its trade surplus.

Hashimoto said it would be difficult to guarantee compliance with such commitment to whittle down the trade surplus with a specific margin by a specific date.

"Under the principles of the (free) market, it is difficult to guarantee (compliance with a possible promise to attain) certain results," he said.

As for Japan-U.S. auto trade talks, the likely rupture of which was cited by currency traders as the main factor that triggered Wednesday's dollar sell-offs, he said, "I worry that providing a compromise that would breach the (trade) principle would bring about negative results (to Japan) on the international front."

In the talks, Japan has been under U.S. pressure to provide greater market access to foreign makers and vendors of automobiles and its parts.

Japan has also been asked to provide help in convincing Japanese automakers to provide access to their allegedly closed network of dealers, so that foreign carmakers can have greater exposure to Japanese consumers.

Yen Rise Said Not Linked to U.S. Trade Talks

OW2004075895 Tokyo KYODO in English 0641 GMT 20 Apr 95

[FBIS Transcribed Text] Tokyo, April 20 KYODO— The yen's most recent spurt is not related to lack of progress in Japan-U.S. trade talks, Japan's top trade bureaucrat said Thursday [20 April].

Although the yen jumped to another postwar high Wednesday against the dollar after two days of high-level auto talks ended without progress, the movement "cannot be explained" as trade friction hoisting the yen up, Vice Trade Minister Tomio Tsutsumi told a regular news conference.

Rather, the No. 2 official at the Ministry of International Trade and Industry (MITI) noted that the dollar fell against the German mark, the French franc and Asian currencies, besides the yen, and that the U.S. currency rebounded somewhat after sinking briefly to 79.75 yen.

"It seems to be a dollar decline on all fronts," Tsutsumi said. "Based on the results, it is not correct" to say the yen rose because of the car talks, he said.

Japan has not changed its opposition to U.S. efforts to get Japanese automakers to boost their "voluntary plans" to buy more foreign parts, Tsutsumi said.

Tokyo has expressed irritation that outside the negotiations, U.S. officials, including Ambassador to Japan Walter Mondale, have visited automakers seeking increased purchases.

Japanese companies have told the U.S. Government it is impossible for them to make new commitments such as those of 1992, which were made under very different economic conditions, Tsutsumi said.

It is "logically inconsistent" for the U.S. to agree that voluntary purchase agreements are beyond the scope of government talks but also insist that a trade accord depends on them, he said.

U.S. officials have countered that if Japan agrees voluntary plans are beyond the government's reach, it cannot object to noncoercive private discussions aimed at increasing purchases.

Tsutsumi said no one-on-one talks have yet been scheduled between MITI Minister Ryutaro Hashimoto and U.S. Trade Representative Mickey Kantor when they attend four-way trade minister talks in early May in Vancouver.

Asked if it is possible that they might not meet bilaterally, he said, "As it is not decided, both ways are possible."

With U.S. officials reportedly hinting at drawing up a list of possible Japanese sanction targets if major auto-trade progress is not made by the "quad" talks, and MITI vowing to take the dispute to the World Trade Organization if the U.S. launches sanctions, the Canada meeting is seen as a bilateral showdown on auto trade.

Tsutsumi said he does not believe, as some have suggested, that the U.S. is using the high yen as a tool to wrench a trade agreement out of the Japanese Government.

President Bill Clinton repeated the American position Tuesday that "the U.S. does want a strong dollar," but critics doub: U.S. resolve and officials worldwide, including Bank of Japan Governor Yasuo Matsushita and International Monetary Fund head Michel Camdessus, have strongly urged Washington this week to act to defend the dollar.

NTT's Mobile Phone May Violate Trade Pact

OW2004032395 Tokyo KYODO in English 0223 GMT 20 Apr 95

[FBIS Transcribed Text] Washington, April 19 KYODO—Subsidiaries set up by Nippon Telegraph and Telephone Corp. (NTT) for the personal handy phone system (PHS) may be breaking a 1994 U.S.-Japan trade accord on procurement of telecom products, a U.S. Trade report said Wednesday [19 April].

The office of the U.S. Trade Representative (USTR) expressed the concern in part of an annual report describing the findings of a review of U.S. trading allies' compliance with telecom-sector trade deals, mandated under Section 1377 of the 1988 Trade Act.

"A subsequent decision by NTT's personal handy phone subsidiary not to adopt the open procurement procedures of the NTT agreement may be a circumvention of that agreement," the report said.

"NTT Personal Communications Network, a subsidiary of NTT created to provide personal handy phone services, is unwilling to adopt voluntarily the procurement procedures of the arrangement," it said.

The NTT group of nine personal communications network subsidiaries stands by the Japanese Government interpretation that they are not bound by the 1994 nondiscriminatory accord that binds their parent. The accord calls for ensuring that there is no discrimination against foreign products in procurement policies.

U.S. Trade Representative Mickey Kantor called for full compliance with the 1994 telecom deal, saying, "We will continue to work closely with industry to monitor progress on all the agreements."

Section 1377 of the trade act obligates the USTR to monitor compliance of the United States' trading partners with bilateral agreements in the telecommunications field.

It empowers the USTR to negotiate with violators of the accords, with possible trade sanctions as a lever.

In Tokyo on Thursday [20 April], Japan's Posts and Telecommunications Ministry rejected the U.S. claim that NTT subsidiaries are bound by the 1994 accord.

An official at the ministry's Telecommunications Bureau said the parent NTT alone is subject to the telecom accord while the nine NTT personal communications network group companies, which are owned by such companies as trading houses and banks, cannot be covered by the accord.

The official confirmed that the ministry and the USTR had consultations on the matter three times since February but said the talks have hit a snag.

Official Comments on Christopher-Kono Meeting OW1804235295 Tokyo KYODO in English 2331 GMT 18 Apr 95

[FBIS Transcribed Text] New York, April 18 KYODO— The United States and Japan should deal with the atomic-bomb issue in a "perspective sense" instead of adhering to it as a loophole in the bilateral ties, U.S. Secretary of State Warren Christopher said Tuesday [18 April].

Recent remarks by President Bill Clinton justifying the 1945 U.S. atomic bombings of Hiroshima and Nagasaki were a "very straight way of...indicating the American position and the way Americans feel," Christopher told a joint press briefing just before a meeting with Japanese Foreign Minister Yohei Kono.

After the 40-minute meeting, a Japanese Foreign Ministry official quoted Kono as telling Christopher that he did not intend to comment on Clinton's remarks.

The official added Kono has called for U.S. understanding over Japan's "strong" feeling against atomic bombs. The official also quoted Christopher as saying at the meeting that he personally understands Kono's insistence on this issue.

Christopher told the pre-meeting briefing, "I think we will be dealing with the issue in a perspective sense," that "calls us to recognize the tremendous progress that our two countries have made in the last 50 years," particularly in a "very affirmative partnership in security matters." "We ought to look forward...to the opportunity to come closer together," he added.

On April 7, when asked by reporters whether the U.S. should apologize for dropping nuclear bombs on Japan and whether then president harry truman acted correctly, Clinton said, "no, and based on the facts he had before him, yes."

Meanwhile, the Japanese official said Christopher reiterated that the U.S. will take a "future-oriented" approach toward the 50th anniversary of the end of World War II, especially promising not to make related events into celebratory ceremonies.

Christopher and Kono are now in New York to address a monthlong conference that started Monday to review and extend the 25-year-old Nuclear Non-Proliferation Treaty (NPT).

Christopher told the briefing that the U.S. and Japan are working together for an indefinite npt extension as the two nations "both have enormous stakes and contributions with peace and prosperity not only in the Pacific region but around the world."

The Japanese official said Kono voiced his "confidence" of winning majority support for the indefinite extension but also called for further efforts to solicit supporters.

Kono and Christopher agreed on further efforts without sticking to a deadline for resolving the dispute with North Korea over a U.S- moderated international offer to supply light-water reactors to Pyongyang, the official said.

Kono called on the U.S. to continue negotiations "tenaciously" to have North Korea accept a program in which South Korea plays the "central role," the official said.

Noting that U.S. and North Korean experts have resumed their talks in Berlin, Christopher said, "we ought to take time," instead of imposing "an artificial deadline" for a "successful outcome" through close contract with Japan and South Korea.

Washington and Pyongyang are at odds over the type of light-water reactors to be supplied in exchange for North Korea stopping its nuclear program under last October's framework agreement between the U.S. and North Korea in Geneva.

The accord sets a target date of April 21 for completing a contract for supplying the nuclear reactors. The U.S.

wants North Korea to accept South Korean-type reactors but Pyongyang is refusing to do so.

The reactors will come from the Korean Peninsula Energy Development Organization (KEDO), a multilateral body initiated by the U.S., Japan and South Korea, and established in New York in March.

Meanwhile, the official said Kono requested Germany's participation in KEDO during a meeting earlier with German Foreign Minister Klaus Kinkel. Kinkel declined to offer a direct reply, saying the issue is now under discussion in his country, the official said.

The meeting between Kono and Kinkel was chiefly devoted to discussing the situation in Chechnya, with both foreign ministers expressing concern over the unabated Russian military action.

In a spate of bilateral meetings, Kono solicited support for Japan's bid to become a permanent member of the UN Security Council, and gained renewed support from Christopher and Canadian Foreign Minister Andre Ouellet, the official said.

Kono also agreed with other foreign ministers to review the United Nations and other international institutions during a summit of the Group of Seven major industrialized nations in June in Halifax, Canada.

Further on Christopher-Kono Talks

OW1904010495 Tokyo KYODO in English 0057 GMT 19 Apr 95

[FBIS Transcribed Text] New York, April 18 KYODO— Japanese Foreign Minister Yohei Kono promised his efforts Tuesday [18 April] to U.S. Secretary of State Warren Christopher for an "early settlement" of auto trade talks with the United States, a Japanese official said.

"Further efforts are needed, but I hope to see an early agreement," the official quoted Kono as saying during a 40-minute meeting with Christopher.

Kono made the comments in response to Christopher urging market- opening in Japan's auto and auto parts markets, which account for 60 percent of the U.S. trade deficit, the official said.

Japan and the U.S. ended two-day subcabinet-level talks the same day in Washington on the auto and auto parts areas, with no progress.

The talks on auto and auto parts are the only unresolved area among the three priority sectors under the bilateral framework talks after more than 18 months.

In a joint press briefing before the meeting, Christopher said already-resolved areas are "proof that we can make similar agreements...particularly in auto and auto parts."

The Japanese official said Kono sought support for a package of measures Tokyo adopted last week to cope with the yen's unabated, record-breaking rise against the dollar.

He also asked Christopher to accept briefings on the package by officials of the ruling coalition parties that are planning to visit Washington soon.

Christopher indicated his intention to receive such briefings, the official said.

Mindful of a spate of annual top-level meetings of the Asian-Pacific Economic Cooperation (APEC) forum to be held in Osaka in November, Christopher voiced hopes that Japan, as the host nation, "will come up with a very strong blueprint for implementing the Bogor Declaration."

The Declaration, adopted in Indonesia last year, calls on APEC members to liberalize and facilitate trade and investment, with blueprints left for Japan to present at this year's meetings.

Meanwhile, the official said Canadian Foreign Minister Andre Ouellet told Kono, during an earlier meeting, that the APEC forum has a high potential in the future but expressed concerns over adverse effects if the market-freeing process is advanced too rapidly. It should be a steady process instead, Ouellet was quoted as saying.

As the host for the annual economic summit of the Group of Seven industrialized nations in June in Halifax, the Canadian foreign minister requested cooperation, particularly on a plan to focus discussions on reviewing and reforming the International Monetary Fund (IMF) and other multilateral institutions.

In a meeting with Chinese Foreign Minister Qian Qichen, the official said Kono called for China's cooperation in the APEC gathering.

Kono also noted the potential difficulties in adjusting two different opinions among the APEC members—those calling for a concrete direction for free trade, and those insisting upon voluntary measures initially, the official said. China, along with Malaysia, is showing reluctance toward imposing a concrete action plan to free up markets.

Minister Kono Urges Permanent NPT Extension OW1804233995 Tokyo KYODO in English 2317 GMT 18 Apr 95

[FBIS Transcribed Text] New York, April 18 KYODO— Japanese Foreign Minister Yohei Kono on Tuesday [18 April] called for a permanent extension of the expiring Nuclear Non-Proliferation Treaty (NPT) as a "basic" framework toward "ultimate" elimination of nuclear weapons.

But Kono, in a 20-minute speech at the New York conference to review and extend the NPT, stressed the

need for the five declared nuclear states to fulfill their "obligation" under the treaty to work toward nuclear disarmament to clear lingering concerns among nonnuclear states.

He particularly urged China to stop its nuclear tests and also proposed that the five nuclear states "voluntarily" accept safeguards of the International Atomic Energy Agency (IAEA). In calling for continued disarmament commitments, Kono also emphasized Japan's "tragic" experiences of atomic bombing toward the end of World War II in 1945.

The conference started Monday, with final voting expected toward the meeting's close in the second week of May, on the expiring 25- year-old treaty. The treaty commits nonnuclear states to never acquire or produce nuclear weapons and requires the five nuclear powers—Britain, China, France, Russia and the United States—to work toward disarmament. The 175-member treaty needs a simple majority of 88 countries to approve its extension before it can be renewed.

Brushing off the idea of a limited NPT extension as advocated by some nonnuclear states, Kono said, "inherent in a decision to extend the treaty for a fixed period or periods is the possibility of its being terminated." On the other hand, Kono emphasized the NPT's role in preventing nuclear proliferation and advancing disarmament, saying, "Japan has therefore concluded that the NPT should be extended indefinitely" to attain "ultimate elimination of nuclear weapons."

Kono cited progress in the Strategic Arms Reduction Talks (START) between the U.S. and Russia, negotiations on the comprehensive nuclear test ban treaty and efforts toward a fissile material cut- off treaty.

Japan "believes that the best way to respond to the threat of nuclear proliferation is first of all to consolidate the existing nonproliferation regime by making the NPT permanent," Kono said. But he said, "I would like to strongly urge China to join the nuclear test moratorium," adding Japan will "contribute, to the best of its ability, to the earliest possible commencement of the substantive treaty negotiations and to their progress."

Kono also said, "the nuclear weapon states have also to reaffirm their obligation (under the treaty)...to pursue nuclear disarmament, thereby responding to the trust placed in them by the absolute majority of nonnuclear weapon states which have renounced the option of nuclear armament, in order to contribute to world peace and stability."

"The indefinite extension of the NPT will establish a framework to facilitate such progress," Kono said in expressing expectations for continued commitments by the five nuclear states.

Addressing other concerns surrounding the NPT, Kono indirectly pointed to North Korea and Iran as "among the parties to the NAT we have witnessed...the refusal to

accept the IAEA safeguards, and the attempt to develop and newly acquire nuclear weapons."

On the IAEA safeguards, Kono also proposed that declared nuclear states "consider voluntarily applying" them "to all of their peaceful-use nuclear facilities."

Meanwhile, Kono sought support for Japan's shipments of recycled plutonium by emphasizing the need for advancing the peaceful use of nuclear power to replace environmentally detrimental fossil fuels.

Also addressing concerns by Asian neighbors over Japan's nuclear projects, Kono reiterated that Japan's support for the NPT extension is based on the premise that "Japan has totally rejected the option of nuclear armament, and strictly observes the three nonnuclear principles of not possessing nuclear weapons, not producing them and not permitting their introduction into Japan."

"In view of its tragic experiences in Hiroshima and Nagasaki, Japan pursues the ultimate elimination of nuclear weapons and has clearly forsworn to possess them," Kono said in concluding his speech.

Kono, Qian Urge U.S. Tenacity in DPRK Talks OW1904020695 Tokyo KYODO in English 0138 GMT 19 Apr 95

[FBIS Transcribed Text] New York, April 18 KYODO— Japanese and Chinese foreign ministers reaffirmed Tuesday [18 April] that the United States should proceed with nuclear talks with North Korea with a "tenacious" approach instead of imposing a tough deadline, a Japanese official said.

The official said Japanese and Chinese Foreign Ministers Yohei Kono and Qian Qichen also confirmed in their 30-minute talks that the U.S. is taking such an approach without imposing an artificial deadline.

But Kono noted that April 21 is an "effort target" and will be a crucial day for ongoing talks between the U.S. and North Korea over an international agreement to supply light-water reactors to Pyongyang, the official said.

Qian was quoted as saying disputes were "predictable and not surprising."

He also pointed to the stalled dialogue between North and South Korea as hindering progress in the nuclear talks and called for Japan's commitment in encouraging both parties, the official said.

Kono told Qian that Japan is prepared to offer assistance for the dialogue, the official said.

Washington and Pyongyang are at odds over the type of the reactors to be supplied in exchange for North Korea stopping its nuclear program under last October's framework agreement between the two countries in Geneva.

The accord set a target date of April 21 for completing a contract for supplying the nuclear reactors. The U.S. wants North Korea to accept South Korean-type reactors, but Pyongyang is refusing to do so.

Kono and Qian did not touch on China's possible role in convincing North Korea to resolve the issue, the official said.

The Chinese foreign minister welcomed the recent agreement in principle between ruling parties of Japan and North Korea to resume talks on diplomatic normalization, the official said.

But Kono maintained a cautious stance while noting that the Japanese Government is also desiring normalization, the official said.

Kono refrained from directly calling on Qian to stop China's nuclear testing because he clearly stated in his speech earlier at a conference the need to review and extend the Nuclear Nonproliferation Treaty, the official said.

Study Supports SDF Golan Heights Mission

OW2004053995 Tokyo KYODO in English 0501 GMT 20 Apr 95

[FBIS Transcribed Text] Tokyo, April 20 KYODO—A ruling coalition team that made an on-site study for a proposed Self-Defense Forces (SDF) mission to help UN peacekeeping activities in the Golan Heights said Thursday [20 April] such a mission would be suitable as back-up actions stipulated in the UN Peacekeeping Cooperation Law.

Masaru Hayakawa, who heads the ruling coalition's fact-finding mission and a Social Democratic Party (SDP) [Social Democratic Party of Japan—SDPJ] Committee on Security, conveyed the view to Chief Cabinet Secretary Kozo Igarashi, government officials said. Igarashi said, "We will give it due consideration," according to the officials.

The coalition wants to make a decision on the SDF mission to help UN peacekeeping activities in the Israeliheld Golan Heights by April 28 before the "golden week" holidays start, a Liberal Democratic Party (LDP) official has said.

The fact-finding team of the coalition, which is made up of the LDP, SDP and New Party Sakigake [Harbinger], has concluded that the SDF would have to remain in the Golan Heights for a fairly long time. The government enacted the Peacekeeping Cooperation Law in 1992, enabling limited overseas deployments of SDF personnel to assist in UN peacekeeping operations.

The fact-finding team has returned home after touring Syria, Jordan and Israel. They visited the Golan Heights last week for talks with members of the armed forces from other countries participating in the Syria-based UN Disengagement Observer Force (UNDOF).

The United Nations wants Japanese personnel to replace 50 Canadian UNDOF members whose transport duty is set to expire this summer.

The team returned to Japan on Wednesday along with a similar government fact-finding mission.

Dietmen's Visa-Free Trips to Kurils Approved

OW2004130795 Tokyo SANKEI SHIMBUN in Japanese 15 Apr 95 Morning Edition p 2

[FBIS Translated Text] A top official at the Ministry of Foreign Affairs [MOFA] disclosed on 14 April that, as of this date, the Japanese and Russian Governments reached a basic agreement under which Japanese dietmen will be allowed to travel to the Kuril Islands without having to apply for visas. Previously, the Russian Government did not allow dietmen to travel visafree to the Kurils. It has now been decided that two dietmen will be allowed to travel visa-free to the Kurils as members of a single party of visitors. Muneo Suzuki, chairman of the House of Representatives Special Committee on Okinawa and Northern Problems, and Kazutaka Tsuboi, chairman of the House of Councillors Special Committee on Security, Okinawa, and Northern Problems, will accompany the first party of visitors scheduled to make the visa-free trip in mid-May.

Regarding visa-free trips to the Kurils that started in 1992, the Russian Government limited such trips to, among other individuals, former residents of the islands and their family members and those associated with groups campaigning to have the Kurils returned to Japan. Members of local government assemblies were considered as being associated with the reversion movement and, as such, were allowed to travel visa-free to the Kurils. However, dietmen were not permitted to make such trips.

In his meeting with Russian Foreign Minister Andrey Kozyrev last month, Yohei Kono, deputy prime minister and concurrently foreign minister, requested that Russia expand the scope of visa-free trips. The Russian Government agreed to this.

During the current fiscal year, a total of nine visa-free visits are scheduled starting in May. Of these, the Russian Government has agreed to allow two dietmen to accompany the visitors in seven cases, excluding the two cases in which children and students are to participate in outdoor camps.

The MOFA believes that the newly adopted measures will now help give more impetus to the northern territories reversion movement.

Officials, Panel Members Discuss TMD Project OW2004101495

[FBIS Editorial Report] Tokyo NHK General Television Network in Japanese at 1230 GMT on 24 February carries a 50-minute "NHK Special" program entitled:

"What Is America Aiming At?—Behind-the-Scenes of the Theater Missile Defense [TMD] Project." A presenter introduces the subject, and cuts to show interviews with a variety of contributors and recorded video footage. Reception is good.

The presenter first explains the development of the TMD project and how it is related with the search by U.S. defense industries for new business opportunities to survive restructuring in the post-Cold War era.

The program then moves on to show how Japanese industry is preparing for the possible introduction of the TMD system. Mitsubishi Corporation, for example, has recently obtained a dealership for theater high altitude area defense [THAAD] missiles in Japan. Tatsuo Sato, deputy director of Mitsubishi's Aerospace Equipment Department, says: "UOES [expansion unknown], or the operative prototype of THAAD, will be completed by the end of 1996, and mass production will start in 1999. We believe that if Japan seriously considers introducing the TMD system, THAAD will be the core of it. For this reason, we have opened talks with Lockheed Corporation to join the project as a local dealer."

Video turns to the House of Representatives Budget Committee session on 30 January. In response to a question asking the government's stance on the TMD as a system for intercepting ballistic missiles, Defense Agency head Tokuichiro Tamazawa states: "The government incorporated spending for research into the TMD project in the fiscal 1995 budget. Japan has great interest in the project based on its desire to possess a purely defensive military system. Until acquisition of the system becomes a political subject, we must continue our research and collection of data on the issue."

The presenter says the coalition government provided 20 million yen for research into the TMD project without making a decision on its future introduction. He adds that Japanese defense policy is now at a turning-point, and must make a decision if it is to catch up with changes in the world situation since the end of the Cold War. He says the National Defense Program Outline, the core defense policy Japan set in 1976, is now under review by an advisory panel chaired by Seiki Nishihiro, former Administrative Vice Defense Minister.

Nishihiro says: "I do feel the need for qualitative changes in Japan's defense capability, although I do not know whether or not it should be expanded. For example, the Gulf war made us aware that high-technology equipment—not only weapon systems, but also communications and intelligence equipment—is essential for national defense in the new age.

"In the sense that equipment should be modernized, there is much room for improvement. Some people thoughtlessly say defense forces should be downgraded as the Cold War is over, but I think that is a dangerous opinion."

The presenter then refers to discussions by the prime minister's advisory defense issues panel, founded in February 1994 under the Hosokawa administration. He says the panel held 20 meetings and concluded that the Cold War framework had not yet been dissolved in the Asia-Pacific region.

Shunji Yanai, director of the Foreign Ministry's Comprehensive Diplomatic Policies Bureau says: "Japan's neighboring areas, known as the Far East or northeast Asia, were never entirely dictated by the bipolar confrontation of the Cold War period, because China has existed in the region as another superpower. In addition, the framework of the Cold War still exists in the region—the Korean peninsula is still divided, and Russia simply took over the strong armed forces of the Soviet Union. Although the Cold War is undoubtedly over, things are not so simple in this region. China is the only nation still conducting nuclear weapons experiments, which goes against the worldwide trend toward control and reduction of nuclear weapons. We strongly hope China will stop the practice.

On the panel's discussions on the TMD system, panel member Kuniko Inoguchi, professor at Sophia University, says: "Most members of the panel discussed the significance of the TMD system. The trend of world strategic thinking apparently leans toward defensive forces rather than aggressive forces, and Japan should make its own choices in view of such changes. Most panel members voiced similar opinions when we discussed the future of air defense systems."

The presenter says the defense issues panel discussed treatment of the TMD project at its fourth meeting. He says: "[former] Maritime Self Defense Force [MSDF] Chief of Staff Chiaki Hayashizaki noted the MSDF does not have adequate capability to cope with North Korea's Nodong-1 and other theater missiles, and that the U.S. Navy has a plan to equip its AEGIS vessels with THAAD missiles.

Another panel member, Kuniko Inoguchi, said it was at about this time the country started general discussions on the TMD project. She asked government officials if the introduction of the TMD system would conflict with the nation's purely defensive defense posture, and what possible political problems there would be if Japan joined the TMD project or bought TMD equipment.

She said: "Vice Defense Minister Shigeru Hatakeyama said the Defense Agency considers the TMD system appropriate equipment for Japan's defense, but problems may happen over the issue of the Diet's resolution on the peaceful development of space and Japan's denial of collective defense rights."

Commenting on the two problems, another panel member, Ken Moroi, chairman of Chichibu-Onoda Cement Co., says: "Article 9 of the constitution involves many debatable questions, and we discussed a little bit how the project should be treated in relation to Article 9.

However, the system is not an aggressive weapon—it is purely defensive. Some people may oppose the TMD project on constitutional grounds, we did not think it would provoke constitutional problems."

Another panel member Toyoo Gyoten, chairman of the Bank of Tokyo, says: "To be honest, I personally felt we ought to discuss the constitutional issues more thoroughly. Frankly speaking, however, I felt most members of the panel did not want too much discussion of this very controversial issue. So, I do not think panel discussions laid special emphasis on the TMD's relations with the constitution or the Diet resolution."

Citing a remark made at the meeting by Director Naoaki Murata of the Defense Agency Defense Policy Bureau, the presenter says the government answered the question, saying: "We consider we can clear the issue of collective defense rights because the system is regarded as necessary equipment for Japan's national defense."

In another NHK interview, panel member Hajime Sakuma, former chairman of the Joint Staff Council of the Self-Defense Forces [SDF], said: "Our position was that we should not determine our course of action according to the debates on collective defense rights. Even if the TMD does provoke some constitutional controversy, we need to obtain the system."

Panel member Akio Watanabe, professor at Aoyama Gakuin University, adds: "We are not discussing legal issues, but the kind of equipment we need to have. When it is approved by politicians and the public, we should consider how we can remove obstacles to the objective."

The Defense Agency's Murata says: "We are going to study the TMD's effects on Japan's national defense, its consistency with the existing policies, and the cost performance of what is a seemingly expensive system. Nothing has been determined yet."

Video shows members of the defense issues panel submitting an advisory report to the prime minister in August 1994. The presenter says the report strongly recommended Japan's procurement of the TMD system, and the coalition's decision to provide TMD research money in fiscal 1995 was made in line with the recommendation.

Representative Taku Yamasaki of the Liberal Democratic Party says: "In response to the report submitted by the defense issues panel, we incorporated spending for feasibility studies on the procurement of the TMD in the fiscal 1995 budget request. Members of the Social Democratic Party of Japan [SDPJ] who are working on defense affairs will have enough time to study the meaning, significance, and necessity of the project. I think we can eventually reach accord with the SDPJ on this issue."

Chairman Masaru Hayakawa of the SDPJ Security Affairs Council says: "It is said the project would cost us 1 to 2 trillion yen, but we do not know the exact cost unless we conduct appropriate researches. So, I think the feasibility studies are necessary because we have to consider our course of action in view of both actual circumstances and our own principles. As a ruling party, we have to take responsibility for the reality of politics."

The video then turns to the Japan-China security talks held in January. The presenter says: "During the meeting, Chinese officials questioned why Japan had decided to carry on studies on the TMD project. In reply, Japanese officials said the TMD has purely defensive objectives."

Video then shows Chinese Foreign Ministry spokesman Shen Guofang expressing concern over Japan's decision to conduct feasibility studies on the TMD project in fiscal 1995. In a regular press conference held in January, Shen says (in Japanese translation provided in screen subtitle): "We have great interest in the news. The current situation in the Asia-Pacific region is very stable. As a member of Asia, Japan has a responsibility to contribute to peace in the region, and China considers Japan should not do something that goes against the principle."

Commenting on the government decision to spend 20 million yen on feasibility studies in fiscal 1995, Defense Agency Director General Tokuichiro Tamazawa says: "As policymakers, we will have to decide whether or not Japan should procure the system. And we must obtain adequate data before making decisions, even if this is a time-consuming process. We intend to spend two to three years on the studies, and this has been approved by the United States."

In conclusion, the presenter says: "It is still unknown whether the TMD system will bring about stability, or a new Cold War framework in East Asia. It is also unknown what burdens Japan will have to bear to get it. The 20 million yen spent on studies on the TMD project have heavy meaning for Japan."

The program ends at 1320 GMT.

Tokyo May Allow Wiretapping To Counter Terrorism

OW2004102995 Tokyo KYODO in English 0832 GMT 20 Apr 95

[FBIS Transcribed Text] Tokyo, April 20 KYODO— The government plans to study the possibility of allowing sting operations and wiretapping as a means of preventing acts of terrorism like last month's Tokyo subway gas attack, Justice Minister Isao Maeda said Thursday [20 April].

Maeda was speaking before the House of Representatives Budget Committee as the lower house panel began debating the March 20 nerve gas attack on Tokyo's subway.

Sting operations and wiretapping are banned under current legislation.

In a separate remark before the Diet panel, Education Minister Kaoru Yosano said it would be natural to order Aum Shinrikyo, the religious cult being investigated for allegedly making sarin, to disband depending on the results of the investigation.

Sarin was used in the Tokyo subway gas attack that killed 12 people and left more than 5,000 others ill.

The religious sect has been subject to heavy police raids since two days after the subway attack and tons of chemicals and equipment for making sarin have been found at the sect's facilities.

Ozawa's Election Strategy for NFP Examined 952B0138A Tokyo SENTAKU in Japanese Mar 95 pp 48-49

[FBIS Translated Text] A recent series of incidents has provided us with more information about the personality and the talents of Ichiro Ozawa, director general of the New Frontier Party [NFP].

On the morning of 13 February, Ozawa's mother, Michi, died of natural causes at the Nippon Medical School Hospital, at the age of 93. Soon after her death, Ozawa transported his mother's body to Mizusawa, his hometown, and asked members of the NFP and other political associates to refrain from making condolence calls and from sending telegrams or flowers. In spite of his request, Ozawa's friend and former director general of the National Land Agency, Moriyoshi Sato, flew to Mizusawa. His action prompted Ozawa to repeat his original request to the party. The NFP was forced to send announcements outlining Ozawa's wishes to every Diet member. At the private funeral service, the only flowers offered were from Ozawa and other relatives. Ozawa's behavior was typical. He is scrupulous about keeping his political activities separate from his private life.

Another incident concerns the gubernatorial race in Aomori Prefecture. At first, the newspapers ran public opinion polls which showed that Morio Kimura, a former NFP Diet representative, was waging an uphill battle against the incumbent, Masaya Kitamura, whom Kimura trailed by 8 or 9 points. Three days before election day, Ozawa charged off to Aomori. He held secret meetings with key groups there, telling them with the utmost confidence, "Kimura's going to win. I'm not telling you to vote for him, but he's going to win. Remember, four years is a long time." His words apparently unsettled his listeners, members of business associations and other important groups. And Kimura did win. This was Ozawa, the professional electioneer, at his best. He never appeared in public. He simply went behind the scenes, where the votes are, and extracted them.

The rift between Ozawa and Keiwa Okuda (former minister of transportation) and his followers, which began at the time when the NFP head was being selected, seems to be healing. Koichiro Aino, former director

general of the Economic Planning Agency, and Ozawa were reconciled when Ozawa got Aino appointed head of the lower house Special Committee on Coal Problems. Recently, Okuda has been denying the existence of an "Okuda group," and has set himself up as Ozawa's consultant. Ozawa's support base within the party has begun to solidify. On top of that, the good news about the Aomori gubernatorial election arrived. Since the next lower house election is foremost in the minds of all party members, Ozawa's Aomori feat has caused them to realize that he is the one and only person right for the secretary general position. The Ozawa myth has been resuscitated, and there is more cohesion in the party.

Ozawa's Strategy: Nothing Ventured, Nothing Gained

But Ozawa still has a rough road ahead of him. The NFP desperately needs to be well prepared for the elections in order to promulgate its emergency response system, but its preparations are behind schedule. Furthermore, the Shinmin Rengo's plans to establish a new party, which the NFP was hoping would shake up the government, have been temporarily stalled because of the Kobe earthquake. The NFP remains unable to propose definitive political guidelines. The party would really like to announce its preliminary list of candidates for the general election before 10 March. But, according to an NFP source, it appears that the party will be limited to "fielding approximately 250 candidates in small electoral districts and approximately 20 proportional representation candidates."

This delay in coming up with an election strategy has cast its huge shadow over Diet affairs as well. Before the current regular Diet session was convened, Ozawa, Yuichi Ichikawa (NFP Policy Bureau head), and other party executives were racking their brains trying to decide how vociferous they dared to be in opposing the Murayama government. At around the same time, the NFP got hold of information to the effect that the Liberal Democratic Party [LDP] was plotting to hold a double election which, if all went well, would be held on 23 April (during the last half of the combined local elections). The information also implied that the LDP was bent on running the government on its own, as it had in the old days. According to a former Komeito executive, "We hadn't even decided on our slate of candidates, and our regional organization was still not in place. Under these circumstances, the NFP would have been helpless if the Diet had been dissolved. We decided that it wouldn't be wise to give Murayama a hard time." Ozawa had wanted to confront the Murayama government, in order to establish a credible position for the NFP, but his hands were tied.

The situation changed when the Kobe earthquake struck. The same former Komeito executive reports that the earthquake brought a halt to political warfare. Some party members expressed relief that they'd been spared a confrontation with the government.

On the other hand, the Kobe earthquake also threw a monkey wrench into the movement started by Sadao

Yamahana and other Social Democratic Party of Japan [SDPJ] members to form a new party, the Shinmin Rengo [New Democratic League]. Ozawa had been counting on Yamahana to act. In public, Ozawa has spoken rather vaguely about the matter: "I won't know what their goals are, where they're heading, or what our position will be until I talk to them. Their political views will have to be very close to ours." But he sent his aide, upper house member Sadao Hirano, to Sapporo, instructing him to meet with Takahiro Yokomichi, governor of Hokkaido, to feel him out about his views on heading the new party and about working with the NFP. This move appears to have ended in failure. Ozawa then turned his attention to Wataru Kubo, SDPJ secretary general, seeking to learn whether Kubo was sympathetic to Yamahana's plans. If Kubo, Churyo Morii (Diet Affairs Committee chairman), and Nobuyuki Sekiyama (Policy Board chairman) all left the SDPJ, and if a new party came into being, the SDPJ's Executive Committee would fall apart. It would be impossible to keep the LDP-SDPJ-Sakigake [Harbinger] government alive under those circumstances.

But Kubo is leaning toward forming a new party, that is, the reincarnation of the SDPJ under a new name, and has set up meetings to discuss the subject. He is also gradually distancing himself from Yamahana. In Act I of the political reorganization drama, we saw Shinseito [Japan Reanewal Party] and Sakigake split off from the LDP. Act II of the drama will focus on the SDPJ, but it is not at all clear how it will end.

When Ozawa plans his strategy, he is reportedly always mindful of the worst-case scenario—in other words, nothing ventured, nothing gained. According to an NFP Election Committee source, Ozawa said that, even if the proposed new party, the New Democratic League, makes no moves until after the combined local elections, "We can still help them in small electoral districts by running our official NFP slate as proportional representation candidates." Even if the plan misfires, he can content himself with the knowledge that the election has produced additional allies for him.

Ozawa's original goal was to establish a two-party system, thus making it possible for the government to change hands from time to time. The Hosokawa and Hata governments got the ball rolling, but they were tripped up by the "outsiders" (Sakigake and SDPJ elements who cling to the 1955 order). Ozawa's top priority now must surely be to destroy the outsiders. His attitude is probably similar to that of Jichiro [All-Japan Prefectural and Municipal Workers' Union] Chairman Morishige Goto, who expressed the following opinion: "The SDPJ is going to split. We want Prime Minister Murayama, Yamaguchi (Tsuruo Yamaguchi, Management and Coordination Agency director general), Nosaka (Koken Nosaka, minister of construction), and all the others who are wedded to the 1955 order, to get out of politics and sit on the sidelines." Chances are that Ozawa is keeping watch over the New Democratic League with the same viewpoint.

That is why we hear reports that "Ozawa wants to unite all the conservatives." He wants to join with SDPJ members who are anxious to shed the 1955 order and, at the same time, he is aware that the LDP may also split. The only way to get the anti-Kono (Yohei Kono, LDP president) and anti-Takemura (Masayoshi Takemura, Sakigake head) forces in the LDP to make a move is to break the ties that bind them, i.e., tear the reins of government out of the LDP's hands.

I Bear No Grudge Against Hashimoto

Recently Ozawa has begun to ask questions like the following to those in his circles, with increasing frequency: "How is Ryu (Ryutaro Hashimoto) doing?" "What is he thinking about these days?" If two major parties are formed, one possible scenario is one party populated by former LDP and SDPJ members who wish to maintain the 1955 order (a combination of conservatives and reformists), and another by LDP members who oppose the 1955 order, and the NFP (a union of conservatives). If this two-party framework is ever built, does Ozawa want to establish Hashimoto as the leader of one of the parties, the union of conservatives? During Act II of the political reorganization drama, the scene may shift to policies, and the joining together of those who advocate the same policies. If so, Hashimoto and Ozawa do not differ appreciably on policy matters, so the two may be able to work together. Even the idea of Ozawa's teaming up with the YKK team (Koichi Kato, Taku Yamasaki, and Junichiro Koizumi) is not unthinkable, since they too are anti-Kono and anti-Takemura. Whatever the case, Ozawa is bound to adhere to his mottonothing ventured, nothing gained.

Previously, when Hashimoto was proposed as a candidate to succeed Sosuke Uno as prime minister, Shin Kanemaru assigned Ozawa to check up on Hashimoto. This assignment included delving into Hashimoto's extramarital affairs. After that, relations between the two men worsened, and even reached a point when people began talking about the Ichi-Ryu War [Ichi-Ryu is a combination of the first parts of each man's given name]. Even then, Ozawa would say, "I bear absolutely no grudge against Hashimoto," or "I don't consider Hashimoto a rival." An NFP executive told us, "The problem isn't with Ozawa. It's all a matter of whether Hashimoto can bring himself to behave like an adult for the sake of political stability."

For the time being, the most pressing tasks facing Ozawa are: 1) further strengthening the NFP, which is beginning to function like a real party, making sure the NFP is well-prepared for the next election, and preventing the LDP from cornering the market on leadership in the political community; 2) taking advantage of the SDPJ split to drive nails into the coffin of the LDP-SDPJ "collusion government," which is none other than the resurrection of the 1955 order, and 3) gaining 176 NFP seats in the Diet, as compared with 208 LDP seats, thus convincing the voters that the NFP is not a second-rate

party. After that, it remains to be seen whether Ozawa will be able to install Hashimoto and others as key figures in the political reorganization process. The success of Ozawa's strategies will depend on how much of the resentment against Ozawa in the LDP remains when the time comes.

* LDP Leaders' Opposition to Saito Reported 952B0156A Tokyo SHUKAN ASAHI in Japanese 31 Mar 95 pp 34-36

[Article by Takeshi Soga, SHUKAN ASAHI reporter: "Tracking Financial Scandal: Dismissing a Vice Minister, Cutting Amakudari Posts; Why the Liberal Democratic Party Made Desperate Efforts To Crush the 'Boss of the Ministry of Finance'"]

[FBIS Translated Text] The kind of melodramatic ballads that were once sung on street corners by persons peddling song books are very suitable to Nagata-cho. Jealousy, grudges, tales of woe. Politicians are driven by powerful human deeds which popular music can never express. If it is a time of upheaval when alternation of governments continues, the intensity of the passions ought to be still greater. What kind of song of resentment was underlying the fact that the heads of a governing party tormented to that extent the boss of the Ministry of Finance, Administrative Vice Minister Jiro Saito?

Please excuse me for launching into a vulgar story without warning. But I think I can get you to understand, yourselves, how much the three top executives of the Liberal Democratic Party [LDP] "hated" Vice Minister Jiro Saito of the Finance Ministry if you listen to this fable which Policy Affairs Research Council Chairman Koichi Kato enjoys telling of late.

"In former days the LDP and the Ministry of Finance were like a married couple. The LDP, the husband, was, to be sure, a careless, negligent fellow, but the Ministry of Finance, the wife, was a person of strong character, and was controlling their finances properly. But it came about that they lived separately for one year (change of government). The wife said any number of times that she would 'preserve her chastity,' but one evening when the husband secretly peeked into the house his wife was dallying with a strange man... that grudge would probably be unforgettable."

It is an awful example, but Nagata-cho's interpretation is that in this case the "other man" is everyone in the non-LDP government, from Ichiro Ozawa on down, and "dallying" is the national welfare tax and other policies regarding which Saito joined with Ozawa and tried to push through.

Certainly the LDP executive's "tormenting of the Ministry of Finance" during the last six months was awful. Is this not the first time in the party's 40-year history that it openly tormented the agency which until now was called "the government office among government offices"? Concerning the suspicions regarding the two credit unions, in spite of the fact that it could very well be criticized as "being a disagreement within the cabinet," the situation is that a great chorus of "the Finance Ministry's policy of rescuing them is abnormal" quickly rose within the party. Concerning also Saito's resignation to take responsibility, what can be heard from within the executive is the view that "he should resign promptly after passage of the budget in March. If the head does not take responsibility, the organization cannot put an end to it and move on to something new." One comes to want to insert the comment: well then, what about the responsibility of his superior, Finance Minister Masayoshi Takemura; the manner of pinning down responsibility was such that one would almost mistake them for an opposition party.

Perhaps the same was also true when the liquidation and integration of special-status corporations, which the Murayama cabinet expoused as the star plank in its platform, fell into disorder. The plan for integrating the Japan Development Bank and the Export-Import Bank of Japan, which the LDP initially was supporting was something which "Would be a great loss for the organization, which would lose one of the three main institutions which provide amakudari ["descent from heaven"] positions for retiring old boys of the Ministry of Finance. If he allowed that, he would receive a terrible black mark as a vice minister" (LDP executive). In spite of the fact that the LDP, which has long association with the Ministry of Finance, is fully aware that it was a plan which Saito could not accept, Secretary General Yoshiro Mori and other executives were enraged, saying: "The Finance Ministry's director of the Secretariat is forbidden to frequent the party offices," and "If Finance Ministry executives come to persuade us, we will expose the entire content," and became eager to pin the stigma of "destroyer of administrative reform" on the Ministry of Finance. There is no vestige anywhere of the "government and government party" honeymoon period when bureaucrats and special-interest Diet members formed a team and resisted administrative reform.

Unable to endure it, Saito ran around requesting LDP former finance ministers to intercede, but that, too, ended up resulting in enhancing the "crime of conscience" nature of the executive side. That is that story of how he got the reputation of "that Kato who defied his teacher for the first time."

The teacher, that is, former prime minister Kiichi Miyazawa, accepted Saito's request, met with Kato, and admonished him, saying "You must not become too emotional. How about having a leisurely talk with (Finance Minister Masayoshi) Takemura," but the "disciple's" reply was: "However much it is your honored instruction, there are some things which I cannot do."

The "Wayward" Vice Minister Against Whom the LDP's Three Top Executives All Bear a Grudge

Incidentally, what is the reason that up till now the party's three top executives were carried away by

"hatred of Saito"? First of all, within the LDP the following kind of explanation is common. "Fortunately or unfortunately, the three top party executives all share the experience of having had their trust betrayed by Saito when they held a previous position or before the LDP was restored to government. Moreover, all three are aiming at the post of Minister for Finance in the next cabinet reshuffle" (mainstream executive).

For example, it is said that Executive Council Chairman Kabun Muto's "betrayal of trust" was the idea for an "international contribution tax," which surfaced without him having been consulted when he was chairman of the party's Research Commission on the Tax System at the time of the Miyazawa cabinet.

Muto, who was attending a meeting of the party's Research Commission on the Tax System at party head-quarters, was shocked at a telephoned report from a friendly Diet member, and immediately telephoned from a different room to the then chief of the Finance Ministry's Tax Bureau, but was told: "I did not know much about it either. It appears that Budget Bureau Chief Saito did it in concert with Ozawa's group." It is excusable that Muto exploded, saying: "Tax matters are supposed to have been decided by the party's Research Commission on the Tax System."

With Policy Affairs Research Council Chairman Kato, also, when he was chief cabinet secretary in the Miyazawa cabinet, he worked out with the sponsorship of the cabinet a policy of "making the proportion of graduates of Tokyo University in the hiring of career bureaucrats for central government agencies less than 50 percent," although virtually all agencies achieved real results in a few years, the Ministry of Finance alone sabotaged it.

Actually, this is the origin of Kato issuing an official notice to the Finance Ministry's director of the Secretariat saying: "You are forbidden to frequent the office of the Policy Affairs Research Council."

Then, the case of Secretary General Yoshiro Mori is, needless to say, last year's dispute over the "national welfare tax." It was a surprise announcement at a hastily called meeting with the prime minister, without even a proper explanation from the Ministry of Finance. It happened to coincide with the Setsubun Festival for casting out demons, so Mori performed the throwing of the beans in an outwardly energetic manner, shouting "out with the welfare tax," but "he was excluded from the drafting of the plan for a policy which increased taxes to that extent. It was the incident in which he felt most keenly the sadness of the LDP having fallen to the position of an opposition party," (mainstream executive), so it is worse than complete loss of face of a secretary general who aims at restoring the party to government.

The common experience of the three executives is anger at Saito's "wayward" manner, which ignores prior laying of groundwork and agreement with those around him. And in the case of these three, there is also visible an interest in becoming a minister of finance who will banish "any tinge of Saito" from within the ministry, and at the same time also display his own political power, but if one speaks only of anger, it appears that this is the majority view of the LDP. A mainstay Diet member who heard Saito say: "It is precisely at a time of political upheaval that the Ministry of Finance must execute policy in a proper manner," now points out the following. "It is the sense of crisis that a bureaucrat who violates the politician's sanctuary of the authority to make the final decision on policy exists at the top of the agency with greatest power, which controls compilation of the budget. That is at the root of 'Saito bashing.' Moreover, it is because he has set forth one policy after the other for raising taxes in unison with Ozawa, who pushes things ahead in the same way, from the top downward."

Dissatisfaction With Finance Ministry Leadership Grows Because of Change of Governments

Up to now it has been said that the relationship of bureaucrats and LDP special-interest Diet members is that of "mutual support." Actually, the bureaucrats who make policy and bills have the special-interest Diet members bear the brunt of governing party-opposition party negotiations and coordination with business circles and other government agencies. The special-interest Diet members have members of business circles who will become sources of funds introduced through bureaucrats. This is the union of politics, bureaucracy, and industry.

But that, too, may have been a story of the LDP's long period of one-party rule. In the LDP this kind of "selfexamination" view has been frequent of late.

"Introduction of the consumption tax, on which the Takeda cabinet staked it fate, evoked an adverse reaction by the people of the nation and became the first step in the decline of the LDP. But when the LDP became an opposition party because of that, the Ministry of Finance joined with a different political party and began what amounted to an increase in the consumption tax. It is probably natural that there emerges a suspicion that the intention of using the Ministry of Finance, ended up, conversely, only with the LDP having been used" (mainstay executive).

In addition, if suspicion began to create the bogie that, because of going through a change of government, agencies are not the LDP's "monopoly market," it would not be strange if the idea were born in the LDP of trying to pin down by force even the "boss" of the powerful agency which controls the authority to compile the budget. It is said that party president Yohei Kono, too, whose position on the question of integrating the Japan Development Bank and the Export Import Bank of Japan was not clear until the very end, recently said lightly when chatting with members of the executive:

"Regardless of what the Ministry of Finance thinks, ultimately the governing parties which run the government will clearly make the final judgment. Otherwise, politicians will lose face."

And so, the settlement of the special-status corporation question ended up being decided without a hitch on 14 March by Finance Minister Takemura putting together a plan to integrate the Export-Import Bank of Japan and the Overseas Economic Cooperation Fund, and the LDP also approving it. The previous time, in a form which, in effect, joined forces with the Ministry of Finance and former prime minister Noboru Takeshita, Takemura had resisted integration of the Japan Development Bank and the Export-Import Bank of Japan, but it led to such "Takemura bashing" that he later admitted that "it was a mistake." For the Ministry of Finance, the shock of a decline in the number of post-retirement positions was the same, but Takemura probably had the aims of solidarity of the governing parties and dodging criticism of himself. In any case, this kind of story is whispered within the LDP executive.

"This time even that boss, Saito, in the end only received the report from the technical staff and confirmed it. When deciding on the policy for rescuing the credit unions, he pushed ahead with the matter without consulting with the technical staff of the Banking Bureau or the LDP executive, but this time it was as if he had been repaid for that" (LDP executive).

Incidentally, it is said that it was also around the time of settlement of the special-status corporation question that President Kono and others on the LDP executive side were sounded out secretly by the Finance Ministry side on a plan for "Saito's early resignation." It may be that the current "Finance Ministry dispute" for the LDP will eventually finally end by completion of "Saito's removal."

North Korea

U.S. Reportedly Stages 'War Exercise' 18 Apr SK2004102595 Pyongyang KCNA in English 1017 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—The U.S. imperialists staged an air war exercise in the skies above Sangdong and Yoju of South Korea on April 18 with the mobilisation of more than 10 overseas-based pursuit-assault planes and assault planes, according to military sources.

On April 15, nine reconnaissance planes including a U-2 high-altitude strategic reconnaissance plane conducted an air espionage on the forefront areas and the eastern and western coasts of the North side.

On April 14, the South Korean puppets introduced more than 80 military vehicles into a frontline area in South Korean Kangwon Province. On the 16th, hundreds of armed bandits of the puppet army frantically staged there an offensive exercise against the North with tanks and armoured vehicles.

From April 14 to 18, the South Korean puppets fired hundreds of artillery shells and more than a thousand of large-calibre machinegun and automatic rifle bullets toward areas adjacent to the Demilitarized Zone in the western and central sectors of the front.

Chondoist Head on ROK Religious Leaders Visit

SK1904063695 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 18 Apr 95

['Press Statement' issued by Yu Mi-yong, chairperson of the Central Guidance Committee of the DPRK Chondoist Association, in Pyongyang on 18 April—read by announcer]

[FBIS Translated Text] The press statement by Yu Mi-yong, chairperson of the Central Guidance Committee of the DPRK Chondoist Association:

Reports noted that the Kim Yong-sam group planned to punish [chohyong] An Ho-sang, leader of Taejonggyo in South Korea, and Kim Son-chok, chairman of the National Council for Reunification and Restoration, who returned to South Korea after visiting Pyongyang to attend the ceremony marking the ascension day of Tangun [legendary founder of Korean state] at the Tangun Tomb, on charges of violating the law on North-South exchanges and cooperation, which is another version of the antinational National Security Law.

As soon as Leader An Ho-sang, an old man of more than 90 years of age, and Chairman Kim Son-chok, who is nearly 70 years old, crossed the Military Demarcation Line, the Kim Yong-sam group took them away in a military car like baggage, and confined them in a police hospital on the pretext of health checks. The Kim Yong-sam group conducted so-called interrogation and investigation, and then decided to take legal steps against Leader An Ho-sang without physical detention and to detain Chairman Kim. We cannot but say that this is indeed a preposterous and rash act [ochoguni omnun mangdong].

The visit by Leader An Ho-sang and his entourage to Pyongyang is the expression of an extremely just national sentiment as national religion believers [minjok chonggyoin] to recover the soul of the Tangun nation and to share the affection of fellow countrymen.

The fascist hangmen named the fact that Leader An Ho-sang and his entourage did not obtain permission from the authorities as their primary crime. However, I think that they should first recall the injustice of their actions.

With permission from the South Korean authorities, the head office of Taejonggyo held contacts with delegations of the DPRK Chondoist Association on two occasions in

Beijing in March of last year and February of this year, and discussed and finalized the plan of the leader and entourage to visit the sacred ground of Tangun.

Moreover, the Taejonggyo office officially raised the issue of the Pyongyang visit three times up to the present, including this time, to the South Korean authorities, and even submitted the request to them. However, its request was rejected due to the unjust acts of the authorities who presented preposterous pretexts each time.

Under this condition, the South Korean authorities cannot say that they were unaware of the visit to Pyongyang by Leader An Ho-sang and his entourage. Furthermore, the South Korean authorities, who each time turned down repeated requests to visit Pyongyang, have no right to investigate someone else's violation of law.

As for the activities of Leader An Ho-sang and Chairman Kim Son-chok during their visits to Pyongyang, there is nothing for the South Korean authorities to take issue with.

Representing hundreds of thousands of Taejonggyo believers in South Korea, they visited the tomb of Tangun, the founder of the nation, and paid homage to Tangun on Tangun's ascension day. They exchanged views with representatives of our Chondoism—national religion of fellow countrymen—on matters of jointly contributing to national unity and national reunification. This was indeed beneficial not only to the nation but also to reunification.

Furthermore, the Pyongyang conference of religious organizations in the North and the South was the first occasion in 50 years since the nation was divided. It is worthy of being welcomed by the whole country, and does not constitute any crime.

Nevertheless, the Kim Yong-sam group is going to detain and punish Leader An Ho-sang and his entourage merely on the charge of having visited Pyongyang. This is another clear example of the antinational confrontational policy and hostile acts against the northern half of our Republic.

The South Korean ruling bunch intensively investigated whether or not Leader An Ho-sang and entourage expressed condolences [on the death of Kim Il-song] in an all-out attempt to charge them with a crime. Seeing this, we cannot repress the surging indignation against the anti-human and antinational rash act of the Kim Yong-sam group.

The Kim Yong-sam group's act to oppress Leader An and his entourage on charges of violating the National Security Law and the law on North-South exchange and cooperation is the undisguised persecution of free religious life by believers of a national religion, and is a

challenge to the aspiration of the people to national reconciliation and unity. It is an unpardonable antihuman act.

The Kim Yong-sam group repressed people who wished to share sorrow over the mishap of their fellow people; blocked the joint holding of events marking the 100th anniversary of the Kabo farmers' war by Chondoists in the North and the South, and blocked the visit by Taejonggyo believers to the North to attend the dedication ceremony for the Tangun Tomb. Today the Kim Yong-sam group is attempting to punish the religious leaders by charging them for visiting their sacred grounds. The Kim Yong-sam group's barbarous act is an unpardonable crime showing that the so-called civilian politics it raves about are all deception and lies.

If the Kim Yong-sam group continues to oppress Leader An Ho-sang and his entourage by detaining and punishing them, and instigates confrontation, it cannot avoid stronger protest and denunciation by all 70 million fellow countrymen, not to mention our Chondoists and Taejonggyo believers, and will have to pay a dear price before the nation without fail.

The Kim Yong-sam group is a treacherous group which all the people should overthrow.

Taking this opportunity, I express firm belief that the people from all walks of life in South Korea, not to mention the Tangun worshipers including Chondoists and Taejonggyo believers, who aspire for independence, democracy, and reunification, will check and frustrate the Kim Yong-sam group's reckless repressive maneuvers against leader An Ho-sang and his entourage, will abolish the National Security Law which blocks free contact between the North and the South and reunification, and will actively wage the struggle to overthrow the Kim Yong-sam group.

KCNA Version of Press Statement

SK1904051495 Pyongyang KCNA in English 0451 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—Yu Mi- yong, chairperson of the Central Guidance Committee of the Korean Chondoist Association, in a press statement on April 18 denounced the Kim Yong-sam group for scheming to punish leader of Taejonggyo An Ho-sang and chairman of the National Council for Reunification and Restoration Kim Sonchok of South Korea who went back to South Korea recently after visiting Pyongyang.

The Kim Yong-sam group intends to punish them, who visited Pyongyang to pay homage to Tangun on Tangun's ascension day at the Tomb of Tangun, the ancestral father of the Korean nation, and went back to South Korea, by invoking the "law on South-North exchange and cooperation", a variant of the "National Security Law", an anti-national law, she said, and noted:

As for their Pyongyang visit, it is an expression of natural feelings of the national religionists who want to restore the soul of the Tangun nation and share compatriotic feelings with the fellow countrymen in the North.

The Kim Yong-sam group, however, is attempting to detain and punish them on charge of their visit to Pyongyang. This is another clear manifestation of its anti-national confrontation policy and hostile acts against the North.

Such a move of the Kim Yong-sam group is an undisguised persecution of national believers in their free religious life, a challenge to the desire of the fellow countrymen for national reconciliation and unity and an unpardonable anti-ethical act.

If the Kim Yong-sam group persecute An Ho-sang and his companion, detain and punish them, and foster confrontation, blocking contacts between the North and the South, they will face a stronger protest and denunciation of the 70 million fellow countrymen including our Chondoists and Taejonggyo believers, and will have to pay dearly for their crimes against the nation, Yu Miyong warned.

Commentary Denounces Arrest of Religious Leaders

SK2004071295 Pyongyang Korean Central Broadcasting Network in Korean 1225 GMT 19 Apr 95

[Commentary by Kim Ho-sam: "Thoughtless Rash Act of Civilian Villains"]

[FBIS Translated Text] As reported, leader of Taejonggyo An Ho-sang and chairman of the National
Council for Reunification and Restoration Kim Sonchok of South Korea returned to South Korea via Panmunjom on 16 April after attending a ceremony honoring Tangun at the tomb of Tangun in Pyongyang. As
soon as they crossed the Military Demarcation Line in
Panmunjom the South Korean authorities reportedly
took them here and there on the excuse of investigating
them and eventually indicted the leader of Taejonggyo
without physical detention and arrested the chairman of
the National Council for Reunification and Restoration.

This is indeed a thoughtless rash act by the civilian villains who are more vicious than the military villains of the Fifth and Sixth Republics.

What leader of Taejonggyu An Ho-sang and his party did while visiting Pyongyang is that they attended a ceremony honoring Tangun, exchanged views on the reunification question and other matters of common interest with religious figures in the North, and toured some places.

This is only a natural act that proceeded from the pure national emotion and religious ideal to renew the spirit of the nation of Tangun as national religionists and to share compatriotic feelings with religious figures in the North.

It is needless to say that their visit to Pyongyang was a very useful occasion in deepening trust between religionists and compatriots in the North and the South, in promoting national reconciliation and unity between them, and in expediting national reunification.

Particularly, leader of Taejonggyo An Ho-sang is at an advanced age of 93, and chairman Kim Son-chok is also an aged person of almost 70. Nevertheless, the Kim Yong-sam puppet clique—which used to kick up the commotion of babbling about illegal visits to the North, judicial action, and the like—is attempting to punish these old men with the National Security Law, a notorious antinational law, and the law on North-South exchange and cooperation.

This is a barbarous act which can be perpetrated only by those immoral men who disregard human reason and even primary human morality and courtesy.

The Kim Yong-sam puppet clique is treating leader of Taejonggyo An Ho-sang and his party as criminals simply on the ground that they visited Pyongyang without the so-called authorities' permission. This, too, is a preposterous act.

The Taejonggyo side has asked the authorities to approve its plan to visit Pyongyang and submitted a list of visitors on many occasions. However, the authorities have rejected such a request on every occasion, using an unwarranted excuse. This is a widely known fact.

Therefore, the puppets have neither the face nor moral justification to talk about a violation of law and the like at present. Furthermore, all fellow countrymen in the North and the South are rising up in a great national march for reunification under the banner of national reunification in order to make this year the first year of national reunification, transcending differences in ideologies, political systems, political views, and religions.

Attempting to punish the leader of Taejonggyo and his party—who bravely embarked on the road of visiting the North and waged just acts for reunification despite their advanced age—with the fascist evil law once again clearly shows that the Kim Yong-sam puppet clique is a treacherous group.

The Kim Yong-sam puppet clique's act is a mean, rash act intolerable in view of the nation, in view of religious ideals, and in view of humanitarianism. The Kim Yong-sam puppet clique has neither the slightest degree of national emotion and will to achieve reunification, nor the primary human reason, conscience, morality, and sense of obligation.

Judging from the act alone that the Kim Yong-sam ring perpetrated against leader of Taejonggyo and his party this time, it is evident that as long as the National

Security Law, a fascist evil law, which regards even the religious activities of South Korean religionists as a crime, continues to exist and as long as the Kim Yongsam clique is left as it is, no national reconciliation and unity can be realized, no national reunification can be achieved, nor can the primary democratic rights of the South Korean people be achieved.

Therefore, to achieve national reconciliation and unity and national reunification in the 1990's it is imperative to do away with the Kim Yong-sam civilian-led fascist gangsters, who have been blocking the movement for national reunification in South Korea, and the National Security Law, an antinational and antireunification fascist evil law, as soon as possible.

Japanese Legislator Denounced for War Remarks

SK2004050795 Pyongyang KCNA in English 0450 GMT 20 Apr 95

["Japan Advised To Clearly Liquidate Her Past"-KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—Seisuke Okuno, a Dietman from the Liberal Democratic Party of Japan, justified again the war of aggression started by the Japanese imperialists in the past, [words indistinct] engage ourselves in the war against Asian nations", according to a report from Tokyo.

He made these nonsensical remarks at a luncheon with reporters on April 17.

Motivated by Japan's old dream of the "greater east Asia co-prosperity sphere", his rigmarole is an intolerable insult to the Korean people and other Asian peoples who had undergone innumerable misfortunes and sufferings in the war of aggression started by the Japanese militarists.

The Japanese imperialists illegally occupied Korea for more than 40 years, during which they imposed indescribable misfortunes and sufferings upon the Korean people through a barbaric colonial rule.

Notably, they made nearly 200,000 Korean women sexual slaves for the "imperial army". This is an antiethnic crime of the blackest dye.

Should the Japanese reactionaries have the least intention to repent of the past crimes, they would not have tried to deny the blood-stained history of aggression.

The peoples of Asia and the rest of the world hope that Japan will properly liquidate its past crimes this year in which falls the 50th anniversary of the defeat of Japan in the war. However, Okuno betrayed this desire with such nonsensical remarks fully revealing that the moves of the Japanese reactionaries to revive the wild ambition for militarism have gone into extremity.

This is born out by the fact that Okuno and other rightwing conservative Dietmen are stubbornly opposing the adoption of a "resolution on banning Japan's engagement in war" at the Diet.

It is well known a fact that the Japanese reactionaries have already worked out "security emergency law" to mobilise people in a war and are now putting efforts into the political, economic and military preparations for an overseas aggression, while pushing ahead with the conversion of Japan into a military power equipped with nuclear weapons.

The militaristic ambition of the Japanese reactionaries remains unchanged and their aggressive nature has become more pronounced with each passing day.

If Japan wants to win trust of the Asian peoples, it must officially admit and apologize for the damages it had inflicted upon Korea and other Asian nations and clearly liquidate its past crimes. To make a new start on this basis is a stance Japan should take at present.

If Japan takes the road of an overseas aggression in defiance of the demand of the international community, it will be doomed to ruin.

Party Arranged for Visiting Artistes From Japan SK1904045395 Pyongyang KCNA in English 0434 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—A party arranged by the great leader Comrade Kim Chong-il for the Art Troupe of Korean Residents in Japan was given at the Mansudae Art Theatre on Tuesday.

Present there were Kwon Sun-hwi, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), and members of the art troupe of Korean Residents in Japan headed by Pak Chong-sang, director of a Department of the Chongnyon Central Standing Committee, staying in the socialist homeland.

On hand were general director of the general bureau for the reception of overseas Koreans Kim Su-ik and officials concerned.

Speeches were made at the party.

Anniversary of Bandung Conference Celebrated SK2004115595 Pyongyang KCNA in English 1010 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—The government of the Democratic Peoples Republic of Korea gave a party Wednesday on the lapse of 40 years since the Bandung Conference.

Addressing the party, Kim Yong-nam, Politburo member of the Central Committee of the Workers' Party

of Korea, vice-premier of the Administration Council and minister of foreign affairs, said:

The Korean people are now commemorating with unusual emotion the 40th anniversary of the conference of leaders of Asian and African nations in Bandung. Because its commemoration is timing to coincide with the lapse of 30 years since the great leader Comrade Kim Chong-il visited Indonesia in April, 1965, accompanying the great leader Comrade Kim Il-song, and attended the functions held there to mark the tenth anniversary of the Bandung Conference.

Over last 30 years since his significant Indonesia visit respected General Kim Chong-il, who is the same as the great leader Comrade Kim Il-song in thought, leadership and traits, has made tireless efforts to bring into practice the spirit of the Bandung Conference, expand and develop the Non-aligned Movement [NAM] and accelerate the human cause of independence.

"We will do our utmost in the future, too, to further expand and develop the nam and enhance its position and role in the international arena, under the wise leadership of respected General Kim Chong-il, true to the behests of the great leader Comrade Kim Il-song," he declared.

Syrian Ambassador to Korea Yasser Farra said in his speech that the great leader Comrade Kim Il-song had played a pivotal role in the strengthening and development of the NAM and given a material and mental support and vigor to the movement and thus brought together peoples of the NAM member countries and the Third World's peoples in the ranks fighting against the imperialists' vicious attack as well as the flunkeyists.

Praising the enormous feats performed by Comrade Kim Il-song for the strengthening and development of the NAM, the ambassador said:

We wished we would celebrate in his presence the 40th anniversary of the historic Bandung Conference, but are now feeling the greatest sorrow at the thought that we can no more see his bright face beaming with a broad smile.

However, we find our comfort as we have Comrade Kim Chong-il, the great leader of the Workers' Party and the people of Korea, he noted, adding:

"Our people will unite themselves more closely around the NAM and remain faithful to its decisions and recommendations."

Pyongyang Mass Meeting Held

SK1904154495 Pyongyang KCNA in English 1540 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—A Pyongyang mass meeting was held here

today on the occasion of the 40th anniversary of the conference of leaders of Asian and African nations held in Bandung, Indonesia.

The meeting was attended by Kim Yong-nam, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, vice-premier of the Administration Council and foreign minister, officials concerned and working people in the city.

Invited to the meeting were diplomatic envoys of member nations and observer nations of the non-aligned movement [NAM] in Pyongyang.

The participants in the meeting paid a silent tribute to the memory of the great leader President Kim Il-song, who devoted his whole life to the unity of the world people advocating independence, the strengthening and development of NAM and the cause of peace and independence of humankind.

Chairman of t! Pyongyang Municipal Administrative and Economic Committee Pak Nam-ki made a report at the meeting.

Recalling that the respected leader Comrade Kim Il-song and the great leader Comrade Kim Chong-il paid a historical visit to Indonesia, participated in the celebrations of the tenth anniversary of the Bandung Conference and conducted energetic external activities in April 1965, the reporter said:

This was a signal event in the history of friendship between the Korean and Indonesian peoples and a historical occasion which recorded an undying feat in the accomplishment of the common cause of independence against imperialism.

Comrade Kim Il-song, who had always paid deep concern to NAM, attended main NAM conferences held in our country, delivered highly important speeches indicating the way to be followed by NAM, met participants in the conferences and entertained them to banquets for many years from the 70s to the 90s when he was about 80 years old.

Comrade Kim Chong-il has given scientific answers to urgent issues facing NAM at present including those of invariably maintaining its fundamental idea, principles, political nature and purity, strengthening unity and solidarity, realising South-South cooperation and taking a joint action in the international arena.

In order to build a new independent world desired by humankind, it is necessary to make the international community democratic so that all the countries and nations may exercise independent rights on an equal footing.

Independence, peace and friendship are the idea and principle consistently maintained by our party and the DPRK Government in their foreign policies and activities. We will strive to further expand and develop friendly and cooperative relations with many countries,

establish a new international order based on equality, justice and impartiality, expand South-South cooperation and safeguard the peace and security in Asia and the rest of the world.

To ease tension and ensure peace in the Korean peninsula is vital to the peaceful reunification of Korea. The United States must replace the Korean Armistice Agreement it signed with the DPRK with a peace agreement, establish a new peace mechanism, stop arms buildup in South Korea and discontinue all the military exercises and provocations it has perpetrated with the South Korean authorities.

Kim Yong-nam Leaves for Indonesia

SK2004104695 Pyongyang KCNA in English 1037 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—A delegation of the Democratic People's Republic of Korea led by Kim Yong-nam, vice-premier and foreign minister, left here today to participate in the foreign ministerial conference of the coordinating committee of the non-aligned nations and the celebrations of the 40th anniversary of the Bandung Conference which will be held in Bandung, Indonesia.

It was seen off at the airport by Kang Sok-chu, first viceminister of foreign affairs, and officials concerned and charge d'affaires ad interim of the Indonesian Embassy in Pyongyang Syamsudin Sidabutar [name as received].

Russian Embassy Officials at Revolutionary Site SK1904050795 Pyongyang KCNA in English 0459 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—Russian Ambassador to Korea Yuriy Fadeyev and his embassy officials visited the Ssuksom revolutionary site in Pyongyang and planted trees on Tuesday.

At the site on River Taedong, the great leader President Kim Il-song in April 1948 met the representatives of political parties and public organizations of South Korea who were participating in a North-South joint conference and consulted with them on national reunification.

The revolutionary site includes the United Front Tower, a ferry boat and the venue of the consultation.

The guests wrote in the visitor's book that the Ssuksom revolutionary site vividly shows the efforts made by the Korean people to reunify the divided country under the leadership of His Excellency Kim Il-song.

"His Excellency Kim Il-song had devoted his all to national reunification. We hope that the Korean people will achieve the country's reunification at an early date," they wrote.

France Accused of Move 'To Dominate' Africa SK1904152195 Pyongyang KCNA in English 1517 GMT 19 Apr 95

["France's Move To Dominate Africa"-KCNA headline] [FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—France is manoeuvring in a crafty manner to dominate the African continent, but it is as silly as binding a continent with rotten straw-rope, notes NODONG SINMUN in a by-lined article today with regard to France's undisguised move to retake its old position in Africa and expand its sphere of domination.

The author of the article continues:

Voices calling for colonizing again the African countries are ringing out frequently in France.

The advocates of colonization are talking as if colonialism presented big "benefits" to Africa.

This is a flagrant distortion of history and an intolerable insult to the African nations.

There was no "benefit" made by France while she was occupying and enforcing colonial rule over many African nations in the past. The French colonialists have left in those countries only sufferings, misery and ruins.

Disclosing that France now is luring the African nations with "aid" and "settlement of disputes" as baits to intensify interferences in their internal affairs, the article points out:

The African continent now is not the "continent of darkness" as in the past.

Through actual experiences the African countries know of the aggressive and plundering nature of the imperialists and are striving not to be caught in a trap of then imperialists' domination.

France should see the reality in a correct way and abandon the design to dominate Africa.

Iranian Military Attache Marks Army Anniversary

SK1904045595 Pyongyang KCNA in English 0436 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—Ali Asghar Ghasemi [name as received], military attache of the Iranian Embassy in Pyongyang, hosted a party on Tuesday on the occasion of the 16th anniversary of the day of the Iranian Army.

Present on invitation were general of the Korean People's Army [KPA] Cho Myong-nok and other generals and officers of the KPA, diplomatic envoys and military attaches of foreign embassies in Pyongyang and chief of the Pyongyang mission of the National Democratic Front of South Korea Yi Chong-sang.

Iranian Ambassador Seyyad Morteza Mirheidari and his embassy officials were on hand.

Speeches were exchanged at the party.

Peruvian Groups: Cause of Socialism 'Invincible' SK1904104195 Pyongyang KCNA in English 1031 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—The cause of socialism is invincible, declared the People's Front of Workers, Peasants and Students, the Communist Party of Peru (Red Motherland) and four other political parties of Peru in a joint statement issued April 12 to mark the third anniversary of the publication of the Pyongyang declaration "Let Us Defend and Advance the Cause of Socialism."

The statement described the adoption of the Pyongyang Declaration as an event of signal importance in strengthening international unity and solidarity among the progressive political parties of the world fighting for socialism. The declaration was a source of confidence in victory for the progressive parties and peoples of the world advocating socialism and, on the other hand, was a blow at the imperialists and the renegades of socialism, it said.

The statement added that scientific socialism is the ideal and banner of the people for independence and freedom.

In order to defend and advance the cause of socialism, all the parties must strengthen international unity and cooperation in the struggle against imperialism and for socialism, the statement said, reiterating the resolution to support and realise the Pyongyang declaration.

It expressed solidarity with the Workers' Party of Korea and the Korean people in the just cause of achieving the complete victory of socialism and national reunification under the wise guidance of the great leader Comrade Kim Chong-il.

Fidel Castro Sends Telegram to Kim Chong-il SK2004113595 Pyongyang KCNA in English 1002 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—The great leader Comrade Kim Chong-il received a telegram on April 18 from Comrade Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba, president of the Council of State and president of the Council of Ministers of the Republic of Cuba, on the occasion of the birth anniversary of the great leader President Kim Il-song.

It says:

We know well of the stubborn struggle waged by the Korean people for several decades.

And we know that Comrade Kim Il-song wisely led the struggle against the Japanese colonialists and then U.S. imperialist aggressors and steadfastly adhered to the principle.

I am recollecting in deep emotion my meeting with the president, an outstanding son of the Korean people, in 1986 and solidarity he extended to our struggle.

We are convinced that the Korean people will continue to accomplish the cause pioneered by Comrade Kim Il-song and advance at this crucial juncture under your leadership.

Availing myself of this opportunity, I reaffirm to you our will to continue strengthening the traditional relations of friendship and cooperation between the two countries.

Gathering Held With Cuban Embassy Officials

SK2004051795 Pyongyang KCNA in English 0452 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—A friendly gathering with officials of the Cuban Embassy in Korea was held at the Kang Kon Military Academy on April 19 on the occasion of the 34th anniversary of the victory of the Cuban people in the Playa Giron battle.

Present on invitation were Cuban Ambassador to Korea Jose Ramon Rodriguez Varona and his embassy officials.

The participants went round educational facilities, hearing an explanation on the course covered by the academy under the wise guidance of the great leader President Kim Il-song and respected Supreme Commander Comrade Kim Chong-il.

Then, they had a conversation, deepening the feelings of friendship between the two countries.

Cuban Victory in Playa Giron Battle Commemorated

SK1904150895 Pyongyang KCNA in English 1505 GMT 19 Apr 95

["Victory in Playa Giron Battle Commemorated"-KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—Newspapers here today dedicate by-lined articles to the 34th anniversary of the victory in the Playa Giron Battle.

NODONG SINMUN says the Cuban people's brilliant victory in Playa Giron evidently proved that invincible is the united efforts of the people who rose with arms in their hands to defend freedom and independence.

They have pushed ahead with the socialist construction, frustrating every move of ceaseless aggression, intervention and blockade by the imperialists, in the Playa Giron spirit, the paper notes, and goes on:

The imperialists, who look on socialist Cuba as a thorn in their flesh, and the reactionaries backed by them are still making all desperate efforts to destroy the socialist

achievements in Cuba. It shows that the aggressive nature of imperialism does not change on any account.

They are resorting to any crafty scheme to disintegrate Cuba politically and economically, ideologically and culturally while presenting a military threat to it.

The Cuban people are keeping a strict vigilance against the anti-Cuba moves of the enemy, and Cuba has turned into a fortress.

If the imperialists and the reactionaries commit an invasion against the Cuban people once again, they will suffer a bitterer defeat than in the Playa Giron Battle.

The Korean people extend firm support and solidarity to the just cause of the heroic Cuban people.

MINJU CHOSON says that the Korean people sincerely wish the fraternal Cuban people a greater success in their future efforts to build socialism, resolutely smashing the imperialists' maneuverings in the Playa Giron spirit.

Cuban Artistes Perform at Construction Site

SK2004123395 Pyongyang KCNA in English 1045 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—Cuban artistes, who had taken part in the 13th April Spring Friendship Art Festival, called at the construction site of the monument to the party foundation to perform on Wednesday.

They made a round of the monument near completion.

The artistes sang Korean and Cuban songs before the builders to encourage them.

Festival Members, Korean Artistes Hold Gathering

SK1904045695 Pyongyang KCNA in English 0438 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—A friendship gathering of the participants in the 13th April Spring Friendship Art Festival and Korean artistes in Pyongyang took place at the Taesongsan Pleasure Park on April 18.

Present there were chairman of the organising committee of the festival Chang Chol, vice-premier of the Administration Council and Minister of Culture and Art, officials concerned and artistes in the city.

The participants in the gathering deepened the feelings of friendship, seeing folk games reflecting the brilliant national culture of the Korean people and their honest and assiduous labour.

They also went round the Taesongsan folkcrafts exhibition.

Festival Prizes Awarded to Foreign Artistes

SK1904045795 Pyongyang KCNA in English 0443 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—Festival prizes were awarded to foreign art troupes and artistes for their high artistic technique at the 13th April Spring Friendship Art Festival, which was held here from April 9 to 18.

The prizes (certificate and cup) were given to the Russian Bolshoi orchestra, the Chinese art troupe, the Russian folk song and dance ensemble, the Ukrainian Kalina folk song and dance troupe, the Mongolian art troupe and the art troupe of Koreans from Japan.

The prizes went to 30 vocal soloists of Russia, China, Cuba, Mongolia, Bulgaria, Peru, Italy, the delegation of the Japan-Korea Music and Art Inter-change Society, the U.S. Polestar friendship art troupe and other art troupes, 4 Russian and other conductors, and 5 instrumental soloists of Romania, Vietnam, the art troupe of Koreans from the United States and other art troupes.

For their successful ensemble the prizes were conferred upon 12 art pieces presented by the Russian, Chinese, Bulgarian art troupes, the U.S. Polestar friendship art troupe and the art troupe of Koreans from China and other foreign and overseas Koreans art troupes.

The prizes were given to 11 dances danced by the Ukrainian, Chinese, Egyptian, Nigerian and other foreign artistes and overseas Korean artistes including the art troupe of the International Korean Association (Unity) and 10 acrobatic pieces performed by the Chinese, Cuban, Belarus, Ukrainian, Swedish and other foreign acrobats.

The creation prizes were given to 11 artistes. The Ukrainian vocal soloist and his party created a song "Lodestar of Korea", Madagascan musician Ralainarivo Noel Harvey "The Great Leader Always Is With Us", an artiste of the art troupe of Koreans from Japan "Beaming Smile" and an Algerian musician Abdel Aziz "Kim Il-song, Eternal Sun".

More Reports on Anniversary of 19 Apr Uprising

SK1804152395 Pyongyang KCNA in English 1519 GMT 18 Apr 95

[FBIS Transcribed Text] Pyongyang, April 18 (KCNA)—A meeting was held here today to mark the 35th anniversary of the April 19 uprising of the South Korean people.

The popular uprising in April, 1960, was triggered off by inhabitants in Masan city of South Korea protesting against the Syngman Rhee puppet clique's "March 15 fraudulent elections" and instantly spread throughout South Korea to overthrow the puppet regime at last. It was an anti-U.S., anti-fascist resistance for democracy in which people of all walks of life rose against the U.S.

imperialists' colonial domination and their stooges' fascist repressive policy and in demand of an independent and democratic, new politics, new system and new life.

Addressing the meeting Choe Yong-hae, chairman of the Central Committee of the League of Socialist Working Youth of Korea, said:

Though 35 years have passed after the April popular uprising, the desire of the uprisers and other people of South Korea has not yet been realised and the colonial domination by outside forces and the fascist repressive rule are still going on in South Korea.

The Kim Yong-sam group is aggravating the North-South relations to the extreme with vicious anti-DPRK confrontation moves to remain in power and reducing the South Korean people to dire distress with barbarous fascist rule.

Noting that the South Korean puppets are scheming to stage war games against the DPRK in league with the U.S. imperialists from late April to mid-May, the reporter branded it as another military provocative move aimed at invading the DPRK.

He continued:

The United States' attempt to stage large-scale joint military exercises together with the South Korean puppets is entirely contradictory to the spirit of the DPRK-U.S. framework agreement. It might only result in turning back the DPRK-U.S. relations to confrontation in which they had been before the adoption of the agreement.

The South Korean puppets have walked away the religionists, who recently visited Pyongyang to see the tomb of King Tangun, the father of the Korean nation, and are trying to punish them by invoking the "National Security Law", he noted, and went on:

This clearly shows that the puppets' talk about "civilian politics" is a lie.

The reporter stressed that the South Korean students and other people should more vigorously turn out in the struggle for the overthrow of the traitorous Kim Yongsam clique and realization of independence and democracy of society.

He said that all the people who love the nation and want reunification should work hard to bring the nationwide August 15 Grand Reunification Festival to success, in close unity with the common idea of the nation, the idea of reunification and patriotism, transcending the differences in ideology, ideal and ism [as received].

Present at the meeting were Choe Tae-pok, alternate Politburo member and secretary of the Central Committee of the Workers' Party of Korea, officials concerned, working people, youths and students in the city and Yi Chong-sang, chief of the Pyongyang mission of the National Democratic Front of South Korea.

Dailies Observe 35th Anniversary

SK1904151795 Pyongyang KCNA in English 1513 GMT 19 Apr 95

["35th Anniversary of April Popular Uprising Observed"-KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—Papers here today dedicate editorials to the 35th anniversary of the April uprising of South Korean people.

The April popular uprising, which began with a struggle of the Masan citizens against the "March 15 election fraud" in spring 1960, was the explosion of the pent-up wrath and resentment of the South Korean people under the colonial fascist rule of the U.S. imperialists and their stooges and a massive anti-imperialist, anti-fascist resistance which involved millions of people of all walks of life throughout South Korea.

The heroic April 19 popular uprising dealt a telling blow at the colonial fascist rule of foreign aggressors and their lackeys and marked a new occasion of turn in the struggle of the South Korean students and people to achieve freedom, NODONG SINMUN says, and continues: However, the desires of the uprisers who fought for new government, new system and new life have not yet been realised till today, the 35th anniversary of the uprising.

Kim Yong-sam who is engaged in the treacheries in South Korea is a mucky sycophantic traitor under the "civilian" mask appointed by the colonial ruling forces for the purpose of continuing intervention and domination over South Korea.

Facts prove that with the Kim Yong-sam group left alone it is impossible to achieve national reconciliation and unity, democratic development of South Korean society and a peaceful reunification of the country.

The "resumption of dialogue" on the lips of the Kim Yong-sam group is a sham.

It is only too natural that the South Korean students and broad segments of people are turning out in a courageous anti-kim Yong- sam, anti-"government" struggle.

It is the unanimous desire and will of the April uprisers and of the whole nation to achieve the sovereignty of the nation in South Korea and the independent and peaceful reunification of the country.

The 10-Point Programme of the Great Unity of the Whole Nation advanced by the great leader Comrade Kim Il-song, the eternal sun and father of the nation, clearly indicates a way of overcoming the difficulties lying in the way of national reunification and achieving the independent and peaceful reunification of the country by the efforts of the internal forces of the nation.

All the Koreans in the North, South and overseas should firmly get united, transcending the differences in idea,

political view, religious belief and party affiliation under the uplifted banner of the 10-Point Programme and turn out as one in a nationwide struggle to reunify the country by confederacy formula.

MINJU CHOSON says all the Koreans in the North, South and abroad should get over all the difficulties and hardships lying in the way of reunification and reunify the country without fail in the 90s through a grand nationwide reunification march under the banner of the three principles of independence, peaceful reunification and great national unity and the 10-Point Programme of the Great Unity of the Whole Nation.

ROK Military Views Kim Chong-il as 'Brilliant' SK1904104295 Pyongyang KCNA in English 1027 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—Reverence for the great leader Comrade Kim Chong-il is growing deeper among soldiers of the South Korean puppet army and those on the retired list, the Seoul-based radio Voice of National Salvation reported.

A retired general surnamed Choe, who lives in Taejon city, South Chungchong Province, showed a picture of Comrade Kim Chong-il printed in the magazine MAL to his friends one day in March and told them:

"I am told that General Kim Chong-il looks after every soldier with parental affection, attaching primary importance to the ideological and spiritual preparedness of the officers and men of the army from the chuche point of view that the spirit of the army is a decisive strength to defeat any formidable aggression forces.

"As I felt spending most of my life in the army, I think the spirit and arms of the soldiers of the North are the strongest in the world. General Kim Chong-il, who has built the strongest Armed Forces, is the most brilliant of generals in the world.

"Only when we follow General Kim Chong-il, whom the people around the world worship, can we reunify the country and achieve eternal prosperity of the nation."

Lt. Pak of the 61st Regiment of the 20th Division of the puppet army told his colleagues:

"It was an established commanding method that commanders control their army with military discipline.

"Supreme Commander Kim Chong-il, however, commands the army with benevolence.

"There are many famous military commanders, but it is only Supreme Commander Kim Chong-il who commands the army with benevolence.

"Respected Supreme Commander Kim Chong-il is the number one military commander in the world."

A corporal surnamed Kim of the 12th Division of the Third Army Corps of the puppet army attended a

meeting of his classmates association during his holidays at the home village. He sang the song "Thunderclap on Chong-il Peak" he had learned through Radio Pyongyang, before telling them:

"General Kim Chong-il is a famous general who controls the sky and the earth.

"The song Thunderclap on Chong-il Peak' describes his personality of Mt. Paektu type.

"Led by him, our nation has become a strong nation in the world.

"The greatest pride and honour of our nation is that it is led by General Kim Chong-il."

Kim Chong-il Sends Letter to Party Cell Members SK2004051995 Pyongyang KCNA in English 0458 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—The great leader Comrade Kim Chong-il sent an autograph letter to the members of the cell of the Workers' Party of Korea of mining workteam No. 1 of the April 5 pit of the Kumgol branch mine of the Komdok mining complex in reply to their letter.

The autograph letter reads:

"The party firmly believes in our working class.

April 12, 1995

Kim Chong-il"

Comrade Kim Chong-il gave on-the-spot guidance to the April 5 pit on July 1, 1975.

In their letter the 15 party cell members said they are working hard to defend the party's leadership feats at the mine where their fathers and mothers had worked, always remembering that Comrade Kim Chong-il called at a working face with water dropping from the ceiling and showed deep loving care for them.

They also said that they fulfilled the third seven-year plan two years and six months ahead of schedule by increasing high-grade ore output per-drill dynamiting and mined 25,000 more tons of ore in that period and that they topped their January mining assignments 70 percent and their February assignments 85 percent this year.

They vowed to further strengthen the party life than ever before to become party members with a high degree of the party spirit and turn their cell into one with a strong discipline, with the belief that guided by Comrade Kim Chong-il, they are fearful of nothing and will surely emerge victorious.

"Though the imperialists and all other reactionaries are maliciously abusing socialism, Korean-style socialism is making a long drive with an immortal viability and our happy life is guaranteed under your guidance," they said.

They expressed the resolution to keep themselves fully prepared to cope with the enemy's war provocation moves and work and live in a revolutionary manner with themselves in an alert and mobilized posture.

*Kim Chong-il Socialist Lessons Document Viewed

952C0096A Pyongyang NODONG SINMUN in Korean 4 Jan 95 p 2

[Article by Pak Nam-chin: "The Programmatic Document Illuminating the Road to Socialism in Our Time"]

[FBIS Translated Text] Today, under the circumstances in which vigorous efforts are being made to speed up the march toward the goals of the new year under party leadership, our people mark the third anniversary of the publication of the great helmsman Comrade Kim Chong-il's classical work "The Historical Lessons of Socialist Construction and the General Line of Our Party."

In this laborious work the great helmsman Comrade Kim Chong-il scientifically analyzed the causes and lessons of the collapse of socialism in some countries and convincingly proved the validity and vitality of our party's line on socialist and communist construction embodying the chuche ideology. The classical work clearly elucidates the historical limitations of the conventional theory of socialism and illuminates the dazzling road to the consummation of socialism under the banner of the chuche ideology. This is where the great theoretical and practical value of this classical work lies.

The classical work above all shines as the inspirational banner that has implanted a firm faith in the justness and victory of the cause of socialism in the minds of the revolutionary peoples of our time by elucidating in depth the justness of the socialist ideology and the historical lessons of socialist construction.

The great helmsman Comrade Kim Chong-il pointed out as follows: "Regarding the breakdown of socialism in some countries, to argue that the socialist ideology is wrong and it was a mistake to have staged the socialist revolution to begin with, blabbering as if the tide of history had changed. This is nothing but the sophistry of the imperialists and the renegades from socialism."

In preserving the cause of socialism and bringing about a new upturn in socialism, it has arisen as an urgent demand of our time to scientifically clarify the causes and lessons of the breakdown of socialism in some countries. Seeing the collapse of socialism in many countries, the imperialists and the betrayers to socialism prattled that the socialist ideology was wrong and that it was a mistake to have staged the socialist revolution to begin with, distorting the fact and contending that the cause of the collapse lay in the socialist ideology itself. This caused ideological confusion among some people, thus causing serious consequences in the development of the world revolution.

With a penetrating insight into the urgent demands of the times and the revolution, the great helmsman Comrade Kim Chong-il illuminated the validity of the socialist ideology and the superiority of socialism in his classical work. Socialism is a science. Socialism is the ideology and the banner of revolution for the masses fighting for the chuche stand and attitude. Following the emergence of the first ever socialist state, socialism spread worldwide, and socialist countries made in a historically short period of time, gigantic strides in the development of socialism which would be impossible to attain under capitalism even in hundreds of years. This process of historical development proves that the socialist ideology is right and that socialism has an enormous superiority unrivaled by capitalism.

On the basis of the convincing verification of the validity of the socialist ideology, the classical work most accurately elucidates the causes of the collapse of socialism in a number of countries. As pointed out in the classical work, the failure to go forward with a firm grip on the question of strengthening the main force and enhancing its role in socialist construction as a key issue, and the failure to consistently adhere to the fundamental principles of socialism, and the failure to strengthen international solidarity based on the chuche stand and attitude in relations among socialist parties in power, were the major causes of the collapse of socialism in some countries.

True, the socialist ideology is just and socialist society is incomparably superior to capitalist society. But this does not mean that socialism will triumph of itself. Socialism can explore the road ahead triumphantly only with the proper, guiding thought and theory.

The conventional theory on socialism failed to postulate it as the basic methodology of the revolution to strengthen the main force of the revolution and enhance its role while on the basis of historical materialism, viewing material and economic factors as the key link in the revolutionary struggle. In the final analysis, Marxism was unable to give the right answer to the question of how to continue the revolution and build socialist, communist society after the socialist system was established. That is why after the socialist system was established, the parties taking the lead in the building of socialism had to develop the theory of communism, and on this basis, work out the right lines and policies consonant with the demands of socialism in its new stage of development. But in the past period the parties in some countries failed to solve this historical question. As a consequence, while contending that they were building socialism with Marxism as the guiding principle, some parties dogmatically applied the conventional theory in practice. Others chose to concede and abandon the revolutionary principle of socialism while implementing revisionist policies. People who were unable to free themselves from the dogmatic interpretation of the conventional theory failed to direct due attention to the question of strengthening the main force of the revolution, solely absorbed in economic construction. As a

result, the masses were unable to play their role as masters, and in the end, economic construction did not proceed properly and every sector of society fell into stagnation. On the other hand, society began to degenerate gradually as a result of the failure to consistently adhere to the principles of socialism designed to thoroughly ensure and satisfy the independent needs and interests of the masses. In particular, with introduction by the modern revisionists and the betrayers to socialism of "pluralism" while staging the farce of "restructuring," the pace of degeneration of socialism quickened entailing the collapse of socialism and the resuscitation of capitalism in the end.

The reason socialism collapsed in country after country has something to do with the failure to strengthen comradely solidarity and cooperation based on the principle of independence in the relationship of the socialist parties in power. In the past the party in some countries, behaving like a self-styled "center" of the international communist movement, did not hesitate to force the parties in other countries to swallow its wrong lines and polices. The parties in some countries, immersed in flunkeyism, lacked the chuche stand and attitude and succumbed to the chauvinist pressure. As a consequence, when the big power practiced revisionism, these parties followed suit, and when others pursued policies of "reform" and "restructure," they copied them and introduced them as they were. As a result, there arose the situation in which socialism broke down in tandem in the former Soviet Union and East European countries. If the socialist parties in power had worked out a correct, guiding principle suited to the demands of their people and the actual conditions in their countries from the chuche standpoint and carried out socialist construction under that guiding principle, then there would have been no such situation in which socialism fell likd dominoes in a number of countries.

The erudite thought by which the classical work elucidates the causes of the collapse of socialism in many countries has served as the ray of hope that has enabled the revolutionary people of the world to accurately understand the true picture and lessons of the prevailing situation. It has also served as a stern prosecution address exposing through-and-through the untenability of the sophistry of the imperialists and the betrayers to socialism, used in denigrating the socialist ideology. By the elucidation of this thought, it has been proven in depth that socialism collapsed in some countries not because of the failure of socialism resulting from what they call "erroneous" socialist ideology, but because the collapse signifies the bankruptcy of the opportunism of the doctrinaires and revisionists who caused the degeneration of socialism. This enlightenment has resulted in a full exposure and shattering of the heinous machinations of the imperialists to wipe out socialism from the minds of the people by blabbering as if the responsibility for the collapse of socialism in some countries rested with socialism itself, as well as the crimes of the betrayers to socialism in attempting to justify their betrayal. The

thought expounded in the classical work on the historical lesson of socialist construction serves as a milestone in rousing the revolutionary people of the world to the historical mission that they have got to begin a new forward march for the cause of socialism under the banner of chuche.

By comprehensively elucidating the validity of our party's general line on the building of socialism and communism, the classical work shines as the immortal banner that clearly illuminates the triumphant path of socialism.

To verify the justness and invincibility of the cause of socialism through living reality is a pressing historical task in our time. The cause of socialism has long been progressing triumphantly in our country. It is based on the most accurate line of socialist construction embodying the chuche ideology.

By thoroughly proving in his laborious work the validity and vitality of our party's line on socialist construction embodying the chuche ideology, the great helmsman Comrade Kim Chong-il gave perfect answers to the most pressing questions to which the cause of socialism in our time demands urgent solution.

Thoroughly to execute three revolutions, ideological, technological, and cultural, while strengthening the people's government and constantly enhancing its role, is our party's general line on building socialism and communism. This is a scientific and revolutionary line illuminating the road to the consummation of the cause of socialism and the way to give full scope to the independent stand and attitude of the masses by embodying the chuche ideology. The scientific character of our party's general line on socialist and communist construction lies in that the general line is based on the peoplecentered principle of social history. According to the people-centered principle of social history, the wealth of society and social relations, namely objective conditions, do play an important part in social development, but the principal determinant that decides the historical course of social development is the level of development and the degree of enhancement of the independent stand and attitude, the creativity, and the goal-consciousness of the people. Even if a given condition is advantageous, as long as the independent stand and attitude, the creativity, and goal-consciousness of the people who utilize and develop it, remain at a low level and are not given proper scope, society cannot develop rapidly. To the contrary, even if an objective condition is disadvantageous, as long as the independent stand and attitude, the creativity, and goal-consciousness are at a high level and are given proper scope, society can develop rapidly. It follows that to expedite social development, the first priority must be given to the task of remolding man designed to upgrade the independent, ideological consciousness and creative ability of people, while simultaneously developing the tasks of remaking nature and reforming society.

Our party set forth as the general line of socialist and communist construction, to thoroughly execute three revolutions: ideological, technological, and cultural; while strengthening the people's government and constantly upgrading its function and role on the basis of the chuche principle of social history. The ideological and cultural revolutions are the tasks of remolding man to uplift people's ideological consciousness and creativity; the technological revolution is the task of remaking nature; and the working of strengthening the people's government and enhancing its function and role is a great task to remold, develop, and perfect social relations in the socialist way. In the final analysis, our party's general line of thoroughly carrying out three revolutions: ideological, technological, and social; while strengthening the people's government and constantly enhancing its function and role, is a scientific and revolutionary line that illuminates the way for giving the fullest scope to the independent stand and attitude of the masses by making them masters of nature, society, and themselves.

Our party's general line embodying the chuche ideology has proved its validity and vitality by practice. With the successful advancement of the ideological revolution under the correct leadership of the party, our people have come to be armed stalwartly with the chuche ideology and form the powerful main force of the revolution, united firmly around the great helmsman. This is where the source of the durability and invincibility of our way of socialism lies. With the cultural revolution vigorously propelled forward, all members of society have grown as all-around builders of socialism and communism; and as a result of the successful propulsion of the technological revolution and economic construction, a powerful self-dependent, socialist, national economy has been built, putting in place a firm guarantee for satisfactorily meeting the needs of our people in the material aspect of life by their own efforts. That is not all. The unitary leadership of our people's government over the whole breadth of social life, including the political, economic, and cultural aspects, has been thoroughly secured under party leadership; and the revolutionary mass line has been brilliantly implemented in the activities of the party and the people's government. As a result, socialist construction has been progressing successfully and the superiority of socialism has been enhanced.

The thought and theory in the classical work which comprehensively synthesizes the validity and vitality of our party's general line, embodying the chuche ideology, have been the inspirational banner that has implanted in our people a firm faith in the justness of the chuche cause of socialism and its future—the bright lighthouse that has shown the progressive peoples of the world the true road to socialism.

Now the revolutionary peoples of the world have infinite respect and admiration for the great helmsman Comrade Kim Chong-il—who with clairvoyance is brightly illuminating the road ahead for them through his untiring

ideological and theoretical activities—as a symbol of socialism and as the great helmsman who will lead them in the 21st century.

It is the greatest honor and the foremost happiness for our people to have the greatest helmsman of socialism in our time, the great master of thought and theory, at the head of the party and the revolution. Cherishing this intense national dignity and pride deep in their hearts, our people will fulfill the chuche cause of revolution to the end by becoming one with the great helmsman Comrade Kim Chong-il.

More Celebrations of Kim Il-song Anniversary SK2004114895 Pyongyang KCNA in English 1023 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—Meetings commemorating the birth anniversary of the great leader President Kim Il-song were organised by the Central Committee of the Russian Communist Workers' Party and the executive committee of the "Working Russia" movement, the Russian Free Patriotic Party for "revival", the "Left Russia" party, the newspaper PATRIOT and the society for the study of the chuche idea of youths in Moscow.

Speeches were made at the meetings.

V.I. Anpilov, secretary of the Central Committee of the Russian Communist Workers' Party and chairman of the executive committee of the "Working Russia" movement, said in his speech:

I wish that Korea will make a triumphant advance under the tested guidance of the great leader Comrade Kim Chong-il and ask the Korean people not to abandon the red flag of the revolution raised by the great leader President Kim Il-song.

Vladimir Burdyugov, chairman of the political council of the "Left Russia" Party, said that the great leader Comrade Kim Il-song was an outstanding leader of the world communists. His undying exploits will be recorded in the world history and shed bright rays, he noted.

Valeriy Skurlatov, chairman of the Russian Free Patriotic Party for "revival", stated that the founding of the chuche idea is the greatest exploit of Comrade Kim Il-song.

We will deeply study the chuche idea and apply it to our struggle, he added.

Commemorative meetings were held in New Delhi under the cosponsorship of the All India Indo-Korean Friendship Association and the Indian Committee for Supporting Korea's reunification, at the Kim Il-song Institute of Agricultural Science in Guinea, in Bobochebo, Bulgaria, and at the building of the Socialist (communist) Party of Romania and the Kim Chong-il Taekwondo Club of Mongolia.

Political parties, organisations and individual figures adopted a joint resolution at the meeting held in New Delhi.

PRC Banquet Marks Anniversary

SK2004053595 Pyongyang Korean Central Broadcasting Network in Korean 0600 GMT 16 Apr 95

[FBIS Translated Text] On 14 April, a banquet marking the birth anniversary of the great leader Comrade Kim Il-song was held at our embassy in China.

Placed in front of the banquet hall were portraits of the great leader Comrade Kim Il-song and the great leader [yongdoja] Comrade Kim Chong-il. Floral baskets were placed in front of the portraits.

Present at the banquet were Li Lanqing, member of the Political Bureau of the CPC Central Committee and vice premier; Hong Xuezhi, vice chairman of the National Committee of the Chinese People's Political Consultative Conference; Li Shuzheng, head of the International Liaison Department of the CPC Central Committee; Xu Huizi, deputy chief of general staff of the Chinese People's Liberation Army; Xu Wenbo, vice minister of culture; (Chon Chongchun), vice president of the Radio, film, and Television Broadcast Station; (Ha Chongchun), vice director of the Xinhua Publishing House; Xu Qun, vice president of the Chinese People's Association for Friendship with Foreign Countries; Yue Xin, the China-DPRK Friendship Association; and other functionaries concerned.

Chu Chang-chun, our country's ambassador to China, and embassy staff also attended the banquet.

At the banquet, our country's ambassador to China and Vice Premier Li Lanqing gave speeches.

In the speech, Vice Premier Li Lanqing pointed out as follows: President Kim Il-song is a founder and a leader [yongdoja] of the DPRK, and a tested great leader [suryong] of the DPRK people. President Kim Il-song led the Korean people to repel outside invasion and carried out an arduous yet courageous struggle to achieve the country's independence, thus achieving national independence. He set up the people's regime and adorned one brilliant touching moment of the history. Due to his brilliant course of struggle and great achievements, President Kim Il-song received the Korean people's reverence and the Chinese people's respect. President Kim Il-song will live forever in the hearts of the Korean people as well as in the Chinese people.

Saying that President Kim Il-song valuably regarded the traditional friendship between the peoples of China and the DPRK that was forged with blood, he said: From his early days, President Kim Il-song fought hard, shoulder to shoulder, with Chinese communists and forged a strong militant friendship with the Chinese people through his long revolutionary struggle. Today, Comrade Kim Chong-il, the great leader [yongdoja] of the Korean

people, inherited President Kim Il-song's behests and has paid deep concern to developing and strengthening the China-DPRK friendship. We are pleased about this.

He said the Chinese people will devote all their energies to endlessly develop and consolidate, as they have thus far, the traditional friendship between China and the DPRK which was personally prepared and brought up by President Kim Il-song and China's older generation.

The participants made toasts for the eternal life of the great leader Comrade Kim Il-song; for the long life of the great leader [yongdoja] Comrade Kim Chong-il; and for the long life of respected Comrades Deng Xiaoping, Jiang Zemin, and other leaders of the Chinese party and state.

Overseas Koreans Send Messages

SK2004045995 Pyongyang KCNA in English 0440 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—The great leader Comrade Kim Chong-il received some 900 letters and telegrams from overseas missions of the National Democratic Front of South Korea, overseas Korean organisations and Koreans on the occasion of the birth anniversary of the great leader President Kim Il-song.

He also received congratulatory telegrams and letters from Yun I-sang, chairman of the overseas headquarters of the National Alliance for the Country's Reunification (Pomminnyon); Choe Ki-hwan, chairman of the European Regional Headquarters of Pomminnyon; Chong Hak-pil, vice-chairman of the Canadian Regional Headquarters of Pomminnyon; advisor Sonu Hak-won and permanent chairman Yang Un-sik of the U.S. Headquarters of Pomminnyon; Chairman An Chong-su and Vice-Chairman An Kyong-pok of the Australian Regional Headquarters of Pomminnyon; Chairman Yi Yong-pin and General Director Kim Son-hwan of the Association of Overseas Korean Christians for National Reunification; Cho Tae-song, chairman of the Washington Federation for National Reunification; and Yi Mun-chol, a Korean resident in Australia, on the same occasion.

They express their firm determination to devote everything to the reunification of the country in the 1990s and the prosperity and development of their country, their motherland, true to the behests of President Kim Il-song.

They sincerely wish Comrade Kim Chong-il good health and a long life.

Foreign Officials Visit Kim Il-song's Portraits SK2004044995 Pyongyang KCNA in English 0428 GMT 20 Apr 95

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—Pyotr Simonenko, first secretary of the Central Committee of the Communist Party of Ukraine, laid a bouquet before a portrait of the great leader President

Kim Il-song in the DPRK Embassy in Ukraine on April 13 and paid homage to him to mark his birth anniversary.

He was accompanied by secretaries of the party Central Committee.

A floral basket was laid before a portrait of President Kim II- song in the DPRK Embassy in Mexico in the name of Indalecio Sayago Herrera, general secretary of the Central Committee of the Socialist People's Party of Mexico, to commemorate his birth anniversary.

Roberto Prado, member of the Central Committee of the party, upon authorization, laid the floral basket and paid homage to him on April 13.

Roberto Prado said the birthday of President Kim Il-song is the most significant day the people of the world advocating socialism can never forget. His revolutionary idea and exploits will shine long with humankind, he added.

N.K. Ndhlovu, Politburo member and secretary of the Central Committee of the Zimbabwe African National Union-Patriotic Front [ZANU-PF], visited the DPRK Embassy in Harare on April 12. He laid a floral basket before a portrait of President Kim Il-song and paid homage to him.

Floral baskets from Foreign Minister Nathan Shamuyarira, Defence Minister Moven Mahachi and Secretary of the party Central Committee Stephen Nkomo who are Politburo members of the ZANU-PF were also laid before his portrait that day.

Uton Muchtar Rafei, director of the Southeast Asia regional office of the World Health Organization, laid a floral basket before a portrait of President Kim Il-song in the Korean Embassy in New Delhi and paid homage to him.

Giancarlo Elia Valori, secretary general of the Italian Institute of International Relations, sent a floral basket to the DPRK mission in the U.N. Food and Agriculture Organization.

Bouquets from the Kim Il-song kindergarten in Ovorhangay Province, Mongolia, and chairman of the Swedish Workers' Communist Party Rolf Hagel were laid before portraits of President Kim Il-song in the DPRK embassies in those countries.

Kim Il-song Tireless Efforts' for People Viewed SK1904153595 Pyongyang KCNA in English 1531 GMT 19 Apr 95

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—The great leader President Kim Il-song was the tender-hearted father who had devoted inexhaustible energies and made tireless efforts for the people in his whole life.

He published many works and presided over important meetings of the party and the state in little more than two years from April 15, 1992, his 80th birthday, to the last moment of his life.

In addition, he gave on-the-spot guidance to nearly 40 major units in various domains of the national economy.

In this period, he received state and party leaders. Delegations and prominent figures of different countries and delegations, visiting groups and individual figures of South Korea and overseas Koreans on several hundred occasions.

With his energetic ideological and theoretical activities, he wrote the reminiscences "With the Century", an immortal revolutionary encyclopedia, and "Enhancing the Role of the Popular Masses Is the Guarantee for Victory in the Cause of Independence", "Young People Must Accomplish the Revolutionary Cause of Chuche, Upholding the Leadership of the Party", "10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country", "Non-Aligned Information Services Must Contribute to the People's Cause of Independence" and many other historical works, thus brightly indicating the road to be followed by the Korean people and the progressive peoples of the world.

On July 7, one day before his death, he sent a congratulatory message to the meeting of officials of branches of the General Association of Korean Residents in Japan (Chongnyon) and indicated the road of Chongnyon and Korean residents in Japan.

President Kim Il-song gave on-the-spot guidance to various domains of the national economy devoting all his thinking and activities to the people with deep love for them.

In 1994, he devoted unremitting efforts and energies to bringing about a revolutionary turn in socialist construction; in June, he visited the Kumdang Cooperative Farm in Onchon County and then the Taesong District Cooperative Farm to indicate a way for bringing bumper harvests to this land.

On July 6, he called a consultative meeting of senior officials of the economic domain and unfolded a grand blueprint for socialist economic construction.

He also visited the unit 564 of the Korean People's Army, the Koryo Songgyungwan in Kaesong, Manwol Pavilion, the tomb of King Tongmyong, the tomb of King Tangun and other cultural relics.

Saying that he was very pleased to meet South Korean people and overseas compatriots, he taught them matters of principle arising in achieving the reunification of the country and indicated ways for their solution.

He received delegations of many countries and international organisations and individual figures who came to Korea and gave them very important teachings for the accomplishment of the cause of global independence.

In June 1994 alone, he conducted foreign activities on 18 occasions.

Indeed, human history does not know such a great man, a great leader as President Kim Il-song, who passed away while devoting his all to the country, the people and the revolution although he was above 80 years old.

Paper Marks Anniversary of Pyongyang Declaration

SK2004122495 Pyongyang KCNA in English 1043 GMT 20 Apr 95

["Great Programme for Revival and Victory of Socialism"-KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 20 (KCNA)—NODONG SINMUN today dedicates an article to the 3rd anniversary of the publication of the Pyongyang declaration "Let Us Defend and Advance the Cause of Socialism" (April 20, 1992).

The publication of the Pyongyang declaration was an event of turning-point significance in consolidating the unity and might of the anti-imperialist independent forces including the socialist countries and international communist movement and pushing on with the cause of socialism, as it represents the trend of the era of independence and the steadfast will of the world revolutionary people to go along the road of socialism, the article notes.

It continues:

As the Pyongyang declaration was a history-making one sounding out the new start of the international movement for the revival and final victory of socialism, it has served as a militant banner for the unity and struggle of the peoples of all countries aspiring after and defending independence and socialism.

As it verifies the truth, validity of the cause of socialism and the necessity of its final victory, the declaration has been encouraging the world revolutionary people advocating independence with confidence in victory and revolutionary fortitude while dealing a heavy blow at the imperialists who are kicking up an anti- socialist row, clamouring about the "end" of socialism.

It is an expression of ignorance of the law on sociohistorical development as well as no more than a sophism that the imperialists and their spokesmen, while making a shout of joy over the collapse of Cold-war system between the East and the West and the setback of socialism in some countries, are describing it as a victory of the old in the struggle between the new and the old and as the reverse of the direction of historical development, notes the article, adding:

The crumbling of socialism in some countries does not mean the failure of socialism as science but the bankruptcy of opportunism which has corrupted socialism. It is the inevitability and law of history that socialism will without fail be revived and win ultimate victory for its scientific accuracy and truth, although it is temporarily experiencing a heart-rending setback.

The cause of socialism is invincible.

Single-Hearted Unity Powerful Prosperity Weapon

SK1904105595 Pyongyang KCNA in English 1048 GMT 19 Apr 95

["Singlehearted Unity, Powerful Weapon for Prosperity of Our Country, Our Motherland"-KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 19 (KCNA)—Our country, our motherland is an invincible socialist power, a country of singlehearted unity around the great leader Comrade Kim Chong-il, declares NODONG SINMUN in a signed article today.

The article notes:

Ours is a country of the great singlehearted unity unprecedented in the history and our society is a large family of singlehearted unity.

The great leader Comrade Kim Il-song was the outstanding leader of revolution, the sun of our nation and the tender-hearted father of all our people, who provided the glorious origin of singlehearted unity for the first time in the history of our revolution and nation. It is his greatest feat that he built our country into chuche-based one.

Our singlehearted unity has been cemented as firm as rock and its might strengthened a thousand fold in the bitterest sorrow at the loss of Comrade Kim Il-song, the father of the nation, because respected general Kim Chong-il has been held in the center of the unity.

The solidity and viability of our singlehearted unity lie first of all in the unshakable faith of our people who boundlessly worship and hold the leader.

The great leader Comrade Kim Chong-il is immediately the fatherly leader Comrade Kim Il-song, and as it is guided by Comrade Kim Chong-il, our country is dignified today and will be further prosperous. This is the rock-firm faith and will which are struck deep in the hearts of our people.

The solidity and viability of our singlehearted unity also lie in having the great idea of the leader as an eternal lifeline.

Put up in front of the ranks of our singlehearted unity today is the slogan of faith "Let Us Arm Ourselves More Firmly With the Revolutionary Idea of the Great Leader Comrade Kim Il-song!"

His revolutionary idea is now shining more brightly as the torchlight of the era thanks to Comrade Kim Chongil. This firmly guarantees eternal viability of our singlehearted unity.

Our singlehearted unity around the leader is a powerful weapon for the prosperity of our country, our motherland through a vigorous grand march for accomplishing the cause of chuche.

To make our country, our motherland more prosperous was the intention and the cause of Comrade Kim Il-song.

It is the far-re ng plan and steadfast will of Comrade Kim Chong-il to make our country, our motherland more prosperous and thus exalt our country as a dignified country where the Kim Il-song nation lives, as a most advantageous socialist country which will be the first to realize the ideal of humankind.

The unity around the leader is more precious than the life for the revolutionaries of chuche type and people of Korea who must fulfill the behests of Comrade Kim Il-song under the leadership of Comrade Kim Chong-il.

Our singlehearted unity is a powerful driving force for successfully accomplishing the cause of building socialism with the might of the strong internal force of the revolution.

South Korea

President Sends Clinton Condolences on Bombing SK2004064095 Seoul YONHAP in English 0548 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)— President Kim Yong-sam sent a telegram to U.S. President Bill Clinton on Thursday expressing his regret over the explosion in Oklahoma City that killed at least 26 people and left more than 300 others missing.

President Kim said in the telegram that he was shocked and cannot restrain his "deep sadness" at the report of this great loss of life caused by the bomb blast in Oklahoma City. He also expressed his condolences to the bereaved families of the victims and his hope that the missing will be recovered soon.

If the blast was an intentional act by terrorists, as it has so far been suspected, Kim said, such acts can never be tolerated for any reason. "It must be denounced and the terrorists must be punished severely," he said.

President Kim hoped that the blast case will be thoroughly investigated and that the true cause of the blast will be found soon.

Daily Views Terrorist Bombing in Oklahoma City SK2004074795 Seoul MUNHWA ILBO in Korean 20 Apr 95 p 3

[Editorial: "An 'Advanced' Society Stained With Terrorism"]

[FBIS Translated Text] Hatred toward man has reached its climax. Thus incidents of mass murder of innocent people have occurred simultaneously in the United States and Japan. Hundreds of people were killed and wounded in Oklahoma City, the capital of the state of Oklahoma, the United States of America after a powerful explosion ripped through a federal government building on 19 April. Therefore, President Clinton declared a state of emergency. Also, at Yokohama Station in Japan, 'phosgene,' a chemical agent used during World War II, was scattered, thus injuring hundreds of people. This relived the nightmare of the 20 March Sarin gas terror attack, which occurred at a subway station in Tokyo.

Along with the advance in information, the global village is becoming smaller with each passing day, but it is becoming far more distant from a 'safety zone.' Not to mention the terrorist bombing at the New York World Trade Center in February 1993, this year has been stained with terrorism in various places including India, Europe, and Southeast Asia. This is due to the continuous eruption of racial and religious discord, which had been suppressed during the East-West Cold War.

The terrorist act that occurred in the United States is suspected to be the act of international terrorists, as was the case of the bombing of the World Trade Center. This may be another example of a manifestation of discord in a multiracial society.

Compared with this, the incident in Japan can be understood as an 'anomie' phenomena, which is rapidly spreading within Japan's society. The external reasons are very different, but there are hardly any differences from a qualitative significance. This is because it reflects the diseased structure of a modern society, such as racial discrimination and discord between the rich and the poor in any country. President Clinton called the culprits, who are still veiled in mystery, 'vicious cowards,' but it is necessary to recognize that the whole society might have instigated such viciousness to some degree.

Rather than gathering wisdom to cure the cause of terrorism that is occurring frequently, man is living by a 'misguided sense of value' in which they applaud the units that quell terrorist acts as if they were heroes. In March, political leaders from 193 countries of the world met in Copenhagen and participated in the UN Social Development Summit to pursue 'human security.' However, its ultimate theme, which was 'social unity,' was dealt with in a negligent manner and did not greatly deviate from the level of making speeches and holding parties.

The terrorist acts that occurred in the United States and Japan make us question whether this is the true character of a so-called 'advanced country' and 'social development.' Whatever the motive of the crime and whoever did it, such an anticivilized attack on man make us, who aspire to globalization, aware of the fact that this is by no means someone else's issue. We must not stop at passive measures, such as preparing for copycat crimes by strengthening the defense of public facilities. We must rethink the integrated task of a pluralistic society in a more positive way.

We must regard the tragedies of the United States and Japan as a 'reverse lesson,' and if we do not find a lesson there, this may be an overture of a similar calamity that may suddenly fall on our society before long.

U.S. 'Threat' About Financial Markets Criticized SK2004061295 Seoul MUNHWA ILBO in Korean 19 Apr 95 p 3

[Editorial: "U.S. Threat To Withdraw 'Most-Favored-Nation Status"]

[FBIS Translated Text] Under the circumstances in which the United States has been endlessly applying trade pressure, our attention is drawn to the fact that totally unreasonable high-handed pressure is being applied in a concrete way to open financial markets. To be specific, it has been reported that Robert Rubin, U.S. secretary of the Treasury, has singled out five Asian countries, including ours, as "primary targets" for opening financial services markets, and has said he would take retaliatory measures if relevant negotiations do not materialize by the end of June.

Such a news report is never a new development in view of the U.S. side's practice of applying trade pressure. We would not be very much mistaken if we merely construed this as meaning that dark clouds are again hanging low in the financial field.

Nonetheless, at this time, we cannot help but be surprised at the fact that the United States is trying to employ even the basic principles of international trade as a bargaining chip in negotiations, while going to the extreme of applying trade pressure and making a relevant threat. That is, while setting the end of June as a deadline for negotiations, the U.S. side is threatening to withdraw the most-favored-nation [MFN] status, which is stipulated in the GATT, if no satisfactory results are brought about by that time.

As far as the ROK-U.S. trade negotiations are concerned, our government is always quiet. Only when the U.S. side complains or threatens to take retaliatory measures can we see that problems exist. This time is no exception, either. What has been known so far is only the fact that Secretary of the Treasury Rubin threatened to take retaliatory measures against relevant countries, including ours, at the finance ministers meeting of the Asia-Pacific Economic Cooperation (APEC) forum, which was held recently in Bali, Indonesia.

Of course, the specifics of the U.S. complaints concerning financial matters were enumerated in a report on trade barriers which the United States released on 31 March. THE WALL STREET JOURNAL, a leading U.S. economic newspaper, reported that Secretary Rubin would apply such pressure at the APEC meeting with a view to having foreign countries make concessions that would be more profitable for his country at the financial service round negotiations, which are presently

under way as a follow-up negotiation process of the agreement on the World Trade Organization (WTO).

In recent days, the U.S. demand for the mere opening of markets and for fair trade practices has not been its only demand. The United States has, furthermore, been concentrating on making an issue of our country's domestic customs clearance procedure and sanitary safety regulations, thereby causing conflict in our citizens' sentiments. This notwithstanding, even though such a threat to withdraw MFN status in connection with the opening of financial markets is not the official position of the United States, this is an act that flatly negates the international trade order and is really a culmination of "a big power's logic."

In its trade negotiations with China, the United States also used the extension of MFN status as a bargaining chip. A threat against China, which is neither a GATT member, nor a WTO member, is quite different from one against us, a WTO charter member in nature. The U.S. authorities should display the minimum international decorum for the development of the ROK-U.S. trade relations and the WTO system.

Ministry Spokesman Reports on DPRK-U.S. Talks

SK2004024495 Seoul YONHAP in English 0238 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)—
The United States and North Korea, struggling to narrow differences over the type of light-water nuclear reactors to be provided to North Korea under the nuclear accord reached in Geneva last October, failed to reach an agreement on the issue during Wednesday's bilateral talks in Berlin, the Foreign Ministry spokesman said Thursday.

"The two sides concluded the first day of the nuclear talks in Berlin Wednesday with the sides failing to narrow differences," Yu Kwang-sok said. "At the moment, it is uncertain whether the talks will continue."

"The delegations of the two sides to the Berlin talks reported the outcome of Wednesday's discussions to their governments and are awaiting fresh instructions," said Yu.

"We are in a difficult situation where we can paint neither a pessimistic nor optimistic picture on the prospect for the future of the talks," said the spokesman.

He said that the South Korean Government will continue to adhere to its principle (of providing Koreanmade reactors to the North) to the end and persuade the North to accept the Korean reactors.

Chief representatives from Pyongyang and Washington to the Berlin talks met in the morning and expert-level officials held separate sessions in the afternoon, the spokesman said.

The two sides were supposed to conclude talks on the signing of the contract for the provision of two lightwater nuclear reactors to North Korea by Friday, six months after the signing of the framework agreement between the United States and North Korea in Geneva last October.

The North has repeatedly threatended to refuel its 5 mega-watt experimental graphite-modulated reactor, which has been frozen under the Geneva nuclear accord, unless the United States concludes a commercial contract agreement for the provision of nuclear reactors to North by April 21.

The United States, however, said that April 21 is not a deadline but a target date which is not legally binding.

DPRK Diplomat in U.S.: 21 Apr Not Deadline

SK2004020995 Seoul KBS-1 Radio Network in Korean 0100 GMT 20 Apr 95

[YONHAP report from Tokyo]

[FBIS Translated Text] North Korea will not immediately reload nuclear fuel rods at experimental reactors even if a contract for the supply of light-water reactors fails to be concluded by 21 April, the date set for signing the contract, reported Japan's NIHON KEIZAI SHIMBUN by quoting a North Korean diplomatic source in a Washington-datelined story.

Pointing out that North Korea has warned thus far that it will reload nuclear fuel at reactors if the contract fails to be signed by 21 April, the paper analyzed the source's remark as a sign that North Korea will continue negotiations even after 21 April.

The paper predicted that a statement confirming the early settlement of the light-water reactors may be released at the Berlin working-level talks. The paper cited the source as saying that if the United States makes a clear promise for settlement, North Korea intends to maintain its nuclear freeze and continue negotiations.

DPRK 'Eager' for Berlin Talks To Progress

SK2004015095 Seoul YONHAP in English 0139 GMT 20 Apr 95

[FBIS Transcribed Text] Berlin, April 20 (YONHAP)—
The United States and North Korea resumed their nuclear reactor experts' talks here on Wednesday but made no progress or agreement on the type of light-water nuclear reactors to be provided to the communist country.

Despite their differences over reactor models, however, they shared the necessity for continuing their negotiations so that the reactor supply contract would be worked out in mutually-acceptable terms and conditions.

Reliable sources at the meeting said that the experts of both countries reaffirmed their differences on the core

issue of the reactors' type, but concentrated their efforts on narrowing their wide gap of opinions.

A source said, however, that there was an affirmative development of situations during the meeting as North Korea appeared eager for the talks to progress and to eventually reach an agreement.

The day's working-level meeting which followed the chief delegates' talks in the morning were divided into two groups—technical consultations involving the lightwater reactor and economic talks involving the financial affairs and the contract's framework.

Another source said that, despite the basic differences of the reactor type, both parties are confident about the possibility of nearing an agreement including what the major roles will be of South Korea, the United States and Japan in connection with the reactors' supply to North Korea.

Both countries are expected to continue their negotiations even after April 21 (Friday), the target date for signing the light-water nuclear reactor supply contract, the source predicted.

He said that the negotiators are likely to issue a joint announcement to the press Friday or Saturday to deal with the target date in a "roundabout way."

U.S. experts at the meeting continued their efforts to pursuade North Korea to accept the South Korean standard-model nuclear reactors, the source said, but North Korea refused the United States' demands for fear of the political impact the acceptance of the South Korean model might have on the North Korean community.

United States' experts are reportedly demanding that the reactor contract should specify that the reference type of the nuclear reactor would be South Korean models similar to Ulchin Nos. 3 and 4 reactors.

Meanwhile, North Korea's chief delegate Kim Chong-u, vice chairman of the External Economic Commission, told reporters after the meeting that there was no agreement or progress in the talks with his American counterpart Gary Samore.

Kim added both parties will continue their negotiations on Thursday.

DPRK, U.S. Firm Discuss Thermal Power Plants SK2004010495 Seoul YONHAP in English 0055 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)—A U.S. power generation facilities firm, the Stanton Group, has recently sounded out North Korea about constructing 10 200,000-kilowatt thermal power plants in North Hamgyong Province, a diplomatic source here said Wednesday.

Officials from the Stanton Group recently discussed the issue with Kim Chong-u, vice chairman of the External Economy Commission, according to the source. Kim heads the North Korean delegation to the Berlin expert-level talks with the United States concerning the North's light-water nuclear reactor project.

The two sides discussed the feasibility of building the thermal power plants in the mining areas of Undok County in North Hamgyong Province with the proceeds coming from the operation of North Korean oil refineries soon to be repaired by the Stanton Group, the source said.

The Stanton Group is discussing with North Korean authorities plans to repair and operate oil refineries in the North and to divide their proceeds at a ratio of 3 to 1.

The U.S. business group is awaiting government approval of these plans, the source added.

Electric power to be generated from 10 200,000-kilowatt thermal power plants is comparable to that of the two 1,000-megawatt light-water reactors to be supplied to the North under the Washington-Pyongyang nuclear accord reached in Geneva last October.

The reported thermal power plant construction plans are drawing a great deal of attention as they have been revealed at a critical time, as the Berlin expert-level talks are deadlocked over the model of light-water reactors to be provided to Pyongyang.

Future Opening of DPRK Free Trade Zone Viewed

SK2004075995 Seoul HANGYORE SINMUN in Korean 20 Apr 95 p 3

[Editorial: "The 'Opening Up' of North Korea and National Interests"]

[FBIS Translated Text] There was a time when suppliers were criticised for supplying North Korea with, of all items, barbed wire. At any rate, thanks to the South Korean contribution of barbed wire, the cordoning off of the Najin-Sonbong free trade area appears to be nearing completion, and the end of this construction will mark the start of this region's full-fledged opening up. While the sectioning off of the free economic and trade zone may not be solely to prevent human contact, it seems somewhat paradoxical for North Korea to open its doors to foreign enterprises after closing off the area with barbed wire.

Since anyone with an invitation, regardless of nationality, will be allowed to enter North Korea, it appears that people of all countries will be frequenting the country, and South Korea will be no exception. With opening up a trend, North Korea cannot continue to live behind closed doors. While the socialism of the Soviet Union and East Europe has collapsed and China has distanced itself from socialist ideology, North Koreans,

whether because they were firmly united in the chuche idea or because they had nuclear weapons to fall back upon, remained unmoved by the trend for quite some time. Lately, however, North Korea has been active in opening itself up, as though it were trying to make up for lost time. Frankly, it is true that we have mixed feelings of concern and relief regarding North Korea's change.

First of all, we are concerned about the possibility that because it lacks experience with the capitalist world, North Korea will learn the adverse effects of capitalism before it can reap the benefits of exchange. Our concerns are based on the current situation in Russia and East Europe. While they once believed that adopting capitalism would correct all of socialism's problems, they are now quite disillusioned after 'practicing' capitalism. They are now stuck, unable to move ahead to a new system or to return to the old system. Moreover, it is still unclear how attractive North Korea's conditions for production will appear to third countries and how North Korea will meet their requests. North Korea should keep itself from coming up with hasty expectations or fabulous fantasies regarding its opening.

At the same time, we look forward to North Korea's prudent and valiant opening—particularly because it is expected to serve as the important momentum for easing tensions and securing peace on the Korean peninsula. Furthermore, we ask North Korea to be particularly thoughtful in opening itself up so that it will serve as a means for laying a solid foundation for national reunion, not just opening up for its own sake. North Korea should not take actions that forfeit national interests and that it will later regret, such as warding off [kyonje] South Korea or being taken in by temporarily attractive terms offered by foreign capital. South Korea should not treat North Korea merely as a prospective market, but strive to treat North Korea as its partner in sharing and protecting common national interests.

Sri Lanka Withdrawal of UNSC Candidacy Denied

SK2004030495 Seoul YONHAP in English 0249 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)—
Foreign Ministry Spokesman Yu Kwang-sok Thursday
denied reports that Sri Lanka decided to withdraw from
the race for a seat in the United Nations Security
Council (UNSC), in favor of South Korea which is also
seeking the UNSC membership.

"Sri Lankan Foreign Minister Lakshman Kadirgamar did not make such remarks (on Sri Lanka's withdrawal from the race for the UNSC membership) when he met Wednesday with a South Korean trade and investment mission," said the spokesman, quoting South Korea's Ambassador to Sri Lanka Hong Chung-pyo.

South Korea and Sri Lanka have been vying for a nonpermanent UNSC seat for 1996-1997 allocated for Asia. Elections for the seat are scheduled to held in October.

OECD Regrets Portrayal as 'Pressure Group' SK2004003295 Seoul THE KOREA TIMES in English 20 Apr 95 p 9

[FBIS Transcribed Text] The Organization for Economic Cooperation and Development (OECD) has regretted Korea's portraying of the club as a pressure group that seeks to open the Korean market wider.

The message was said to have been conveyed to the Korean government when a high ranking official from the Ministry of Finance and Economy met with OECD officials last week.

OECD officials were quoted as having said that the Paris-based club is not a pressure group, adding that it is also wrong to conclude that Mexico underwent a financial and economic crisis just because the Latin American country was forced to open its market wider ahead of becoming the 25th member of the organization.

Many OECD officials were quoted as having expressed the view that the country opened its market long before it joined the OECD. The OECD did nothing to force Mexico to open its market, they were quoted as having said. The prevailing view inside the OECD is that the organization's global image was tarnished just because it had not been tough enough in screening Mexico's macroeconomic fundamentals ahead of its securing its OECD seat, government officials said.

ROK Ambassador to UK, Counterpart Attend Forum

SK2004055095 Seoul YONHAP in English 0528 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)— Korean Ambassador to the United Kingdom No Changhui and his counterpart Thomas Harris discussed measures to boost bilateral relations at the third Korea-U.K. Forum for the Future (KUFF) Thursday.

No and Harris commented on the development of political, economic and cultural relations pushed by President Kim Yong-sam during his visit to London in early March, calling on the need to further promote those ties.

No praised Britain for their promise to join the Korean Peninsula Energy Development Organization (KEDO), and for their announcement of a 1 million dollar contribution to the international consortium tasked with providing light-water nuclear reactors to North Korea, the first financial commitment by a European country.

No also discussed other Korea-Britain developments, such as the opening of a Korean gallery at the British Museum in 1997, a Korean culture and arts festival in London slated for next year, and the signing of agreements promoting Science and Technology ties and telecommunication cooperation.

The telecommunication agreement will be signed tomorrow by visiting British Trade Minister Richard Needham, who arrived in Seoul Tuesday.

The Korean ambassador proposed that improved bilateral relations would occur if closer personal relations could develop between citizens of the two countries.

"The most important thing that the two governments can do is increase personal contacts of the people (of Korea and Britain), through cultural and academic exchanges," No declared.

Amb. Harris echoed these sentiments, and called for more Korean students to travel to Britain. Currently, he claimed, there are 5,000 Korean students studying in England, but he complained that the speaking of British English and academic exchanges to Britain have not been promoted in Korea as much as programs promoting American and Australian programs.

Two trends that should continue, Harris mentioned, were the transfer of Korean corporate headquarters from Europe to the United Kingdom, such as Samsung's move from Germany to England, and the boost in trade volume.

Harris said that in the first quarter of 1995, there was a 65.7 percent increase in Korean exports to the United Kingdom and a 26.2 percent increase in British exports to Korea.

The British ambassador also announced that the next KUFF meeting will be held in Seoul in 1997, the 200th anniversary of British-Korean relations.

Egypt Actively Promotes ROK Investments

SK2004095595 Seoul YONHAP in English 0731 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)— Egypt, which established full diplomatic relations with South Korea last Thursday, is actively inviting South Korean investment to the Middle Eastern country.

Executive president of the Egyptian general authority for investment El Ghareeb [name as received] told South Korean businessmen Thursday that Egyptian firms are anxious for South Koreans to invest in Egypt, and that maximum conveniences will be offered to South Korean enterprises venturing into Egypt.

The ministerial-level Egyptian investment official, who arrived in Seoul on a four-day visit Wednesday, also told a seminar on the investment environment of Egypt held at the Korea Trade Promotion Corp. (KOTRA) that South Korean enterprises operating in Egypt like Hyundai Motors Co. and LG Electronics Co. are successful and that the image of South Korean commodities is improving there.

The seminar was attended by officials from over 40 business firms including Daewoo Corp., Samsung Co., Ltd., Hyundai Corp., and Cheil Synthetics, Inc.

In his meeting with KOTRA President Pak Yong-to, which followed the seminar, El Ghareeb said that Egypt is now diverting its attention away from Europe and America to Asia, and hoped for joint ventures between Egyptian and South Korean businesses.

Accompanying El Ghareeb is the Egyptian Foreign Ministry's director-general for Far Eastern Affairs, Sofwat F. Ayoub [name as received], who is evaluating South Korea's expertise in economic development.

In the meantime, an automobile assembly firm in Egypt capable of turning out 20,000 "Excel" passenger cars a year went into operation last January with technology provided by Hyundai Motors. Kolon Industries Co. is constructing a large-scale weaving plant in Egypt, which is expected to be dedicated in May.

LG Electronics Inc., which set up a television parts plant in a joint venture with a local firm in 1991, expanded its production lines last year.

Government Supports Indefinite Extension of NPT

SK2004021095 Seoul YONHAP in English 0146 GMT 20 Apr 95

[FBIS Transcribed Text] United Nations, April 19 (YONHAP)—South Korea Wednesday expressed its support to an indefinite extension of the Nuclear Non-proliferation Treaty (NPT).

South Korean Ambassador Pak Su-kil, addressing the international conference on NPT renewal that opened here Monday, said his country supports an indefinite extension of the NPT based on Korea's belief that the treaty will lay a cornerstone for international efforts to insure world peace and security.

South Korea also supports the on-going Geneva arms reduction talks for a Comprehensive Test Ban Treaty (CTBT) and expects an international meeting concerning a ban on the production of nuclear fission materials to take place as soon as possible, he declared, urging the declared nuclear powers to step up efforts to reduce their nuclear arsenal.

Nations faithfully abiding by NPT rules should be accorded favorable treatment, such as complete access to nuclear technology and a stable supply of nuclear fuel, while those defying the rules should face strong international sanctions, he stressed.

On North Korea's nuclear issue, Pak said South Korea hopes the U.S.-North Korea agreement reached in Geneva last October will pave the way to a settlement of the issue and promotion of peace and security on the Korean peninsula.

He then called on North Korea to implement faithfully the Geneva agreement, guarantee nuclear transparency under the nuclear safeguards accord with the International Atomic Energy Agency (IAEA) and implement thoroughly the joint South-North declaration reached in 1992 for the denuclearization of the Korean peninsula.

KEPCO Inaugurates Third Unit at Nuclear Plant SK2004011195 Seoul THE KOREA TIMES in English 20 Apr 95 p 8

[FBIS Transcribed Text] The Korea Electric Power Corporation (KEPCO) yesterday held a ceremony to inaugurate commercial operation of the 1,000MW Yonggwang Nuclear Unit 3 with an annual power generation capacity of 6.6 million MW.

KEPCO officials said the nuclear plant has the capability to replace 9.5 million barrels of petroleum per year.

The Yonggwang nuclear plant is Korea's first constructed with a Korean company as its main contractor. The ground for the unit was broken in June 1989, they said.

The unit went into commercial operation at the end of last month after seven months of trial operation.

The Yonggwang facility is the 10th nuclear plant to go into commercial operation in the country following four in Kori, South Kyongsang Province, two in Yonggwang, South Cholla Province, two in Ulchin, North Kyongsang Province and one on Wolsong, North Kyongsang Province.

The commercial operation of the Yonggwang unit is significant in that much of the technology for the facility was localized. The next such localized model will go into operation next March.

The KEPCO officials said the operation of the new unit brings to 8.61 million kilowatts per hour the total capacity of power generated by nuclear plants.

They said the successful completion of the project is ample proof that South Korea has the technology to provide a lightwater reactor to North Korea under the agreement with the United States.

Dual Citizenship for Overseas Koreans Considered SK2004091295 Seoul YONHAP in English 0746 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)— Foreign Minister Kong No-myong has indicated the government is considering a plan to grant dual nationality to overseas Koreans on a selective basis.

Speaking at a meeting with the ruling Democratic Liberal Party's (DLP) Globalization Promotion Committee Thursday, Kong said that the dual citizenship issue should be approached from the perspective of "granting special favors" to overseas Koreans.

"You can hardly approach it when you deal with this issue on the principle of rights, obligations and equality,

and I think it would be realistic to approach it on a case-by-case basis, rather than in a package deal," he opined.

If dual citizenship is granted to all overseas Koreans, the government will face a serious problem in its policy dealing with the ethnic Koreans in China, he added.

Kong's view differs from the position of the International Trade and Industry and other related government agencies who feel that overseas Koreans should be granted dual nationality so industries can employ them easily and settle their labor shortages.

Chairman Pak Chong-su of the committee welcomed the Foreign Ministry's position of a gradual approach to instituting the issue through revisions of the related laws and systems, calling it a positive way to approach settling the issue.

Defense Ministry Plans Oct Tri-Service Exercise SK2004032995 Seoul YONHAP in English 0305 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)— The Defense Ministry said Thursday a joint threeservice field exercise, deploying 120,000 troops, will be conducted in October.

The decision was made at a meeting of some 60 high-ranking Army, Navy and Air Force officers, called by Gen. Kim Tong-chin, chairman of the Joint Chiefs of Staff, to evaluate the results of a recent combined three-service tactical exercises.

The October exercise is designed to improve the fighting capabilities of the Korean Armed Forces, as it will be conducted without the United States' participation. In scale, it will be as large as the annual joint South Korea-U.S. exercise, "Team Spirit," which was suspended this year, and the largest exercise by the Korean Armed Forces, conducted without the United States, following the transfer last December of peace-time operational control of the Korean Armed Forces from the United States to South Korea.

The ministry also decided to expand the area of two annual combined tactical exercises from Kangwon and North Kyongsang Provinces to all provinces comprising both coasts of the country.

Scheduled for deployment in the upcoming combined three-service tactical exercises will be P-3C antisubmarine patrol planes, submarines and AN-TPQ 37 anti-artillery radars capable of detecting enemy artillery positions 25 to 50 kilometers away.

The ministry plans to seek participation of U.S. troops in Korea for future combined three-service exercises in case the "Team Spirit" exercise is to be scrapped for good.

DLP Lawmaker Kang U-hyok Resigns From Party

SK2004094495 Seoul YONHAP in English 0658 GMT 20 Apr 95

[FBIS Transcribed Text] Inchon, April 20 (YONHAP)—Rep. Kang U-hyok of the Democratic Liberal Party (DLP) resigned from the ruling party Thursday to demonstrate his opposition to its policy involving the upcoming local elections in June.

Kang said in a press conference at the Inchon City Hall that he bolted from the party in defiance of the party's withdrawal from an earlier plan to elect a DLP candidate for Inchon city mayor through an open competition.

He said he will run in the mayoral election in Inchon, but added he has not considered moving to other political parties such as the United Liberal Democrats.

Democratic Party Names New Secretary General SK2004042295 Seoul YONHAP in English 0252 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)— The opposition Democratic Party (DP) appointed Rep. Kim Tae-sik Thursday as the party's new secretarygeneral.

Rep. Kim is to succeed Rep. Choe Nak-to who resigned from the top secretarial post of the party to run in the gubernatorial election of North Cholla Province, where he hails from.

Born in Wanju-kun, Kim, 56, graduated from Chungang University's economics department and has been elected to the National Assembly for three terms.

Kim once served as the party's floor leader and chief secretary to former opposition party leader Kim Taechung.

Revision on Presidential Reelection Suggested SK2004093695 Seoul YONHAP in English 0653 GMT 20 Apr 95

[FBIS Transcribed Text] Seoul, April 20 (YONHAP)— Minister for Political Affairs Kim Yun-hwan has expressed the need to revise the Constitution in a manner which would allow the president to be elected for a second term, instead of the present "single-term system."

In an interview with the weekly magazine "HANGY-ORE 21" published Thursday, Kim also said, "The present five-year single-term presidential system is liable to prompt a regime to monopolize power without assuming any responsibility."

Asserting that "Now is not the right time to talk about the constitutional amendment as there are still three years left in the incumbent president's term," he said

that the issue of the constitutional revision will have to be raised and discussed when presidential nomination races are in full swing for the 1977 election.

Minister Kim is the first high-ranking official of the ruling party and the government to openly discuss a constitutional revision that would allow an incumbent president to stand for reelection.

Touching on the issue of a cabinet government system, he said that "If we view things only in light of democratizing power, the adoption of a cabinet government system, under which power is created by (the collaboration of) various forces, would be thinkable."

But he was quick to add, "This is an issue to be decided upon by the people."

Burma

Embassy Protests Canadian Ministry's Statement BK1904154595 Rangoon Radio Myanmar in Burmese 1330 GMT 19 Apr 95

[FBIS Translated Text] It has been learned from the Foreign Ministry that the Myanmar [Burmese] Embassy in Ottawa, Canada sent an aide-memoire to the Canadian Ministry of Foreign Affairs and International Trade on 7 April 1995 regarding the Canadian Ministry of Foreign Affairs and International Trade's 22 February 1995 press release, which contained baseless allegations concerning the situation in Myanmar.

In the Canadian Ministry of Foreign Affairs and International Trade's press release, Canadian Foreign Minister Andre Ouellet expressed Canada's concern over the battles along the border and urged more efforts toward national reconciliation.

The aide-memoire presented to the Canadian Ministry of Foreign Affairs and International Trade by the Myanmar Embassy in Ottawa pointed out that the Canadian foreign minister's statement was untrue, lacked concrete proof, was unconstructive, and constituted interference as it was based on groundless allegations and biased accusations made by the armed insurgents and their supporters.

The state government has been striving for national reconciliation since taking over the responsibilities of the state, and 14 armed groups in the jungle have returned to the legal fold and have joined hands with the government in regional development activities. The remaining two armed groups are welcome to return to the legal fold and join in regional development activities. Although action has been taken against some people, it was not because of their political principles or beliefs but because of their violation of existing laws. The government is fully opposed to human rights violations. There have been no human rights abuses in Myanmar.

Diplomatic Ties Established With South Africa BK2004051895 Rangoon Radio Myanmar in Burmese 0130 GMT 20 Apr 95

[FBIS Translated Text] The Government of the Union of Myanmar and the Republic of South Africa, in conformity with the interests and desire of the two peoples, establish diplomatic relations today—20 April 1995. The two governments have agreed to develop friendly relations and cooperation on the basi of the five principles of peaceful coexistence and the principles enshrined in the Charter of the United Nations.

Muslims Criticize SLORC for Maltreatment BK1804083695 Bangkok BANGKOK POST in English 18 Apr 95 p 3

[FBIS Transcribed Text] Mae Sot, Tak-Muslim communities pledged yesterday to report the maltreatment they have suffered at the hands of the Burmese Government to the Overseas Islamic Countries and International Islamic Organisation.

All Burma Muslim Union (ABMU) Chairman Abdul Razak said representatives from his union and the Arakan Rohingya Islamic Front (ARIF) are discussing the issue.

According to the ABMU chairman, the State Law and Order Restoration Council (SLORC) has been violating the basic human rights of Muslim communities in Burma such as occupying mosques in many areas for its own uses.

He cited a mosque in Three Pagoda Pass area opposite Thailand's Kanchanaburi province which had been used by over 1,000 Muslims to perform religious ceremonies and had been seized by Burmese Government soldiers to use as its base.

He quoted Chairman of ARIF Nurul Islam as saying that the SLORC since May 1991 had forbidden any religious ceremonies from being performed at the Jamme Mosque and Islamic Preaching Centre in Maungdaw, Arakan State, and had recently opened it up as a hotel and restaurant. Vice Chairman of ABMU Abdul Malig yesterday said the Burmese Government had demolished a number of mosques in Kyaidon, Kyondo, Kawkareik and Thingannyinaung towns along the Kyaidon-Myawadi route to pave way for the construction of a road.

Opposition Radio on DKBA-Thai Army Clash

BK1604111495 Oslo Democratic Voice of Burma in Burmese 1430 GMT 15 Apr 95

["Report" by Maung Zaw of the All Burma Students Democratic Front]

[FBIS Translated Text] A clash took place on 9 April on (Mae Salin) Highway between the Thai Army and the DKBA [Democratic Karen Buddhist Army], which joined the SLORC [State Law and Order Restoration Council] after splitting from the KNU [Karen National Union]. It was reported that the clash took place while the DKBA unit composed of about 100 men was on its way to attack a refugee camp inside Thai territory.

Similarly, on 7 April, about 30 men from the SLORC and DKBA forces attacked Kheloti refugee camp near Htawleta on the Thai-Burma border during the night and burned down six houses. The attack, which took place inside Thai territory during the night, also killed an old Karen woman.

The SLORC forces had launched an offensive and captured KNU headquarters in Manerplaw and other major camps since December 1994 after unilaterally breaching the unilateral cease-fire. Since then, the SLORC and DKBA forces have been crossing the border into Thailand and continuously attacking and harassing refugees

inside Thai territory. As a result, Thai-Burmese relations have become tense and the Thai Government has repeatedly filed protests over the matter.

Thai foreign Minister Krasae Chunnawong recently visited Burma for two days and held talks to diffuse the tension. At the end of his visit, the Thai foreign minister appeared to indicate all went well in his dealings with the SLORC. However, local Thai authorities and relief organizations believe the situation at the Thai-Burma border remains tense.

There was wide international condemnation of the SLORC, which seized power after a bloody crack down on the democracy movement in 1988. However, Thailand and ASEAN countries avoided criticism of the SLORC by adopting a constructive engagement policy with the SLORC. Thailand received some benefits from Burma by adopting the constructive policy. For instance, Thailand has become one of the main foreign investors in Burma. The Thai Government, which used to avoid criticism on matters related to SLORC, cannot remain silent over the latest issue and even the Thai prime minister, Chuan Likphai, has started to criticize the actions by SLORC troops.

The SLORC denied its forces entered Thai territory. Meanwhile, its continuing attacks inside Thai territory are causing discomfort for the Thai Government. The Thai Government's concern about more attacks is certainly growing. It wants to avoid tension with the SLORC and is trying to solve the border issue diplomatically. Meanwhile, the SLORC forces continue to commit incursion and terrorism along the border. It is yet to be seen how long Thailand can remain patient with the actions of the SLORC within the framework of the constructive engagement policy.

Karen Party Issues Statement on Cease-Fire

BK2004052795 (Internet) BurmaNet News in English 0303 GMT 13 Apr 95

["Statement from the Karenni National Progressive Party Regarding the Cease-Fire With SLORC" issued on 10 March in "Karenni"]

[FBIS Transcribed Text]

- I. The State Law and Order Law Restoration Council (SLORC), Secretary, Lieutenant General Khin Nyunt, while on a visit to Kayah State in November 1993, extended an official invitation on air to jungle-base armed groups to hold cease-fire talks with SLORC.
- II. It is now globally an accepted fact that the best way for opposition groups to resolve their armed conflicts is by meeting and talking across the table.
- III. The Karenni National Progressive Party basically believes that every human being, and every people, is entitled to a happy and peaceful life. It has wanted to co-exist peacefully always with its neighbours, including

Burma. To achieve peace and to enable both the people of Karenni and Burma to raise their standard of living. Karenni desires a positive relationship with Burma.

- IV. The fact that the Karenni National Progressive Party has agreed to the cease-fire with SLORC does not mean that it has abandoned its fundamental principles. The Karenni National Progressive Party continues to uphold its political objectives.
- V. The promotion of the interest and welfare of the Karenni people being its motive for agreeing to the cease-fire on 7 March, 1995, the Karenni National Progressive Party has set itself the task of achieving the following objectives:

(a) The resettlement and rehabilitation of the dis-

placed villagers and their development,

(b) The promotion of national health and education of the Karenni people,

(c) The upgrading of the living standard of the

Karenni people,

(d) The maintenance of peace, tranquility, law and order in Karenni,

(e) The safe-guarding of the interest of the Karenni people and the guaranteeing of their democratic rights and freedom, and

(f) The promotion and maintenance of the national cultures, customs and languages of the Karenni people and the guarantee of freedom of Karenni.

VI. The cease-fire agreement between the Karenni National Progressive Party and SLORC having been reached, the Karenni government sees it as its duty to implement the six objectives and will steadfastly do its utmost to realize it.

[Dated] 10 March, 1995 [Signed] The Central Committee, the Karenni National Progressive Party Karenni

Government Troops Campaigns Against Khun Sa BK1904040195 Bangkok THE NATION in English 19 Apr 95 p A5

[FBIS Transcribed Text] Chiang Rai—Burmese soldiers in Tachilek province have erected cement and barbed wire barriers on the approaches to many cross-border points linking the province with Chiang Rai, reportedly to prevent drug warlord Khun Sa's subordinates from sneaking into the area if attacks take place.

Burmese authorities in the province also distributed leaflets which indicated that landmines had been planted along the Moei River and at various gateways to Thailand to thwart attacks on the border town of Tachilek by Khun Sa's forces.

The "permanent" mines are replacements for "temporary" devices—those planted each evening and defused the following morning—that were claiming the lives of Burmese soldiers in charge of defusing.

A source said yesterday the Burmese have taken the preventive measures in case Khun Sa's Mong Tai Army (MTA) launches a second attack on the border town.

The MTA last month raided Tachilek as the Burmese government was moving its troops to the MTA's stronghold in Shan State. Burmese government forces earlier this year overran the two largest ethnic Karen strongholds and hope to eliminate the remaining resistance and major drug producers.

"Cement walls are built at various points, including the areas leading to Thailand's Huai Nam Rin village in Mac Sai precinct. At some border areas the Burmese erected barbed wire barriers to prevent people from travelling in and out," the source said.

He added that it is possible the soldiers will build a barrier on the middle of the bridge linking Tachilek with Mae Sai district.

Tachilek authorities have closed the Tachilek-Mae Sai checkpoint, reportedly in retaliation for protest notes. Thailand submitted over various crimes and incursions by the Burmese side.

However, it is also believed that the closure is part of Burma's self-defence measures to prevent the possible entry and exit of anti-government groups.

"The Burmese warned in the leaflets that anyone violating the order not to enter the Thai side could face injury or death from landmines or could be shot by Burmese soldiers. The soldiers will not be held responsible because they have already issued the warnings," the source said.

Mae Sai district chief Phakdi Rattanaphon said it is Burma's right to construct barriers on its territory.

"The construction of the gates shows that the Burmese side has no confidence in its security. It is believed the gates will prevent Khun Sa's troops from attacking and then trying to escape into Thailand," Phakdi said.

Burma should prevent its people from illegally sneaking into Thailand and creating a disturbance here, the chief said adding that the closure of the checkpoint hurts Burma, because its people are in need of Thai consumer goods.

Indonesia

Jakarta Wants NPT To Be 'Universally Applied'

BK2004095195 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 20 Apr 95

[FBIS Translated Text] Indonesia wants the Nuclear Nonproliferation Treaty [NPT] to be universally applied to enable the world to free itself from threat of nuclear arms. The NPT should be signed by all countries at the present NPT conference at UN Headquarters in New York. The conference began on 17 April and will end on 21 May.

Izhar Ibrahim, director general for political affairs of the Department of Foreign Affairs, told reporters in New York yesterday that countries that already possess nuclear capability had been unable to offer a way to convince all countries to sign the NPT. Those countries believe that countries that have not signed the NPT will be automatically isolated if the NPT's objective to abolish nuclear arms is achieved.

Izhar Ibrahim, as Indonesia's deputy chief delegate to the NPT conference, believes the implementation of the NPT is unsatisfactory, because Western nations want an indefinite extension of the NPT. [sentence as heard]

Timor Leaders Tell U.S.: Integration 'Final' BK2004103995 Jakarta THE JAKARTA POST in English 13 Apr 95 p 2

[FBIS Transcribed Text] Dili, East Timor (JP)—East Timorese leaders told a visiting senior official of the U.S. State Department yesterday that the integration of East Timor into Indonesia was final and should no longer be disputed by the international community.

The deputy chief of the East Timor legislative council, Maria Quintao, said after meeting, with John Shattuck, Assistant Secretary of State for the Bureau of Democracy Human Rights and Labor, that the international community should disbelieve the propaganda still being made by opponents of the integration.

Shattuck arrived in Jakarta on Tuesday [11 April] for a nine-day visit to Indonesia. U.S. embassy officials in Jakarta described his trip as "part of the on-going dialog between Indonesia and the U.S."

The Bureau of Democracy, Human Rights and Labor is new office, created under the administration of President Bill Clinton out of two previously separate State Department bureaus: the bureau of human rights and the bureau of labor.

The State Department, in report early this year, accused Indonesia of continued human rights violations, particularly in East Timor. The report said the United States had not seen any progress in accounting for the persons missing after a bloody incident in Dili the capital of East Timor in 1991.

During his three-day stay in Dili, Shattuck is scheduled to meet with regional military commander, Colonel Kiki Syahnakri, and with Governor Abilio Jose Osorio Soares. He will also meet with Bishop Carlos Filipe Ximenes Belo, the Roman Catholic Church leader in East Timor.

According to Quintao, Shattuck has praised the development achieved in East Timor since the integration.

On the question of human rights, Quintao said that Shattuck had said that although at times there were differences between Washington and Jakarta, they still shared the same goal of preserving human rights throughout the world.

Separately, the head of the East Timor legislative council Antonio Freitas Parada, said that no country, particularly among developing countries was free from human rights abuses.

He told the POST that abuses were caused by a lack of awareness about these matters on the part of both the people and leaders.

Antonio proposed that Washington extend aid to promote education in this field.

Meanwhile in Jakarta yesterday U.S. Senator Charles Robb of the senate's sub-committee for East Asia and the Pacific arrived for a three-day stay as part of a regional tour which has so far taken him to South Korea and Myanmar [Burma].

Embassy officials said the trip was part of his work as a member of the senate sub-committee.

Shattuck's and Senator Robb's arrival here comes shortly after an Indonesian military inquiry which found officers to have been at fault in the January 12 killing of civilians in East Timor.

Church To Observe Intra-East Timor Dialogue

BK1904104795 Jakarta SUARA PEMBARUAN in Indonesian 18 Apr 95 p 6

[FBIS Translated Text] Dili, 18 Apr—Dili Diocese Bishop Monsignor Carlos Filipe Ximenes Belo has said that the East Timor Catholic Church attaches importance to the settlement of the East Timor issue. Accordingly, the Church will attend an intra-East Timor dialogue sponsored by the UN secretary general in Salzburg, Austria in July.

He added that the Church had in fact refused to be involved in any political dialogue because the Church has no authority over political matters. The Church, however, will attend the dialogue as an active observer at the Vatican's request. The Church will unite, encourage, and guide all participants to seek the truth, goodness, justice, and peace in East Timor.

Monsignor Belo said this during a news conference at his office in Dili on Monday [17 April]. Monsignor Belo held the news conference to respond to various speculations that the Church would speak about the settlement of the East Timor issue.

The bishop is one of the 13 East Timor figures who have been individually invited by UN Secretary General Butrus Butrus-Ghali for the dialogue with overseas East Timorese. The dialogue, which was originally scheduled to be held on 24 May 1995, has been postponed until July.

Standards

According to Monsignor Belo, the Church as an active observer will not indicate or present a blueprint [preceding word in English] about how the East Timor society should be organized. On top of that, the Church will not instruct other participants to make decisions on how to settle the East Timor issue.

Nevertheless, the Church believes that standards are needed to settle the East Timor issue because the standards will enable us to see what is good and what is bad for the East Timor people. The standards are the biblical principles about how mankind should live as children of God and brothers and sisters of Jesus Christ as preached by the Church. While these principles will not automatically settle any problems, they show what must be given importance in the settlement of the East Timor issue in accordance with God's will for mankind.

Monsignor Belo specifically urged the participants and the East Timor people to make consistent efforts for peace and resist attempts to incite hatred and war.

He also called for a true understanding of the position of the East Timor Catholic Church, as stated in a Church document dated 31 July 1994. The document reads: "Accept the choice of the East Timor people! Avoid bloodshed and divisions among the East Timor people!"

Kuwaiti Prime Minister Holds News Conference LD1904202095 Kuwait KUNA in Arabic 1825 GMT 19

LD1904202095 Kuwait KUNA in Arabic 1825 GMT 19 Apr 95

[FBIS Translated Excerpt] Jakarta, 19 Apr (KUNA)—Shaykh Sa'd al-'Abdallah al-Salim al-Sabah, Kuwaiti heir apparent and prime minister, has renewed Kuwait's demand that the international sanctions on Iraq should continue until Iraq commits itself to implementing all the resolutions of the UN Security Council and releases all Kuwaiti prisoners of war and all hostages.

At a news conference he held this evening at the guest palace at the end of his visit to Indonesia, he stressed that his meetings with President Suharto dealt with bolstering and intensifying cooperation between the two countries in all fields. He said that the talks he and the accompanying delegation had with Indonesian officials had produced positive results [words indistinct] of the viewpoints on all the regional issues which had been discussed at bilateral talks and meetings on the sidelines. [passage omitted]

He added that he and Indonesian officials discussed cooperation in the economic, commercial, agricultural, and industrial fields. He noted that Kuwait intimated to the Indonesian side its interest in increasing its investments in the near future and its initial agreement that the

Kuwaiti Arab Economic Development Fund will participate, to the sum of \$40 million, in the construction of a large bridge. [passage omitted]

Asked whether Kuwait will buy Indonesian-made aircraft, he said that Kuwaiti officials will study the possibility of buying a number of aircraft made by Indonesia, of a type suitable for use in Kuwait. At the same time, he praised the progress achieved by Indonesia in producing military and civilian aircraft. [passage omitted]

With regard to the Indonesian stance calling for easing the UN embargo imposed on Iraq, given that Indonesia is the current chairman of the Nonaligned Movement, he said: "I cannot predict whether a stance promoting Indonesia's viewpoint will be taken regarding this issue; however, I am optimistic that the Indonesian Government will not change its previous stances."

He added that the decision on an international economic embargo was made by an international organization and it is up to Iraq to implement all the international resolutions resulting from its aggression against the State of Kuwait.

Regarding Kuwait's position on the fixing of its oil production at 2 million barrels per day despite its huge reserves, the heir apparent and prime minister said that Kuwait has the right to take its full share [words indistinct]. Asked about his opinion on Iraq's rejection of the UN Security Council resolution which permits Iraq to sell [words indistinct] of its oil in order to purchase medicine and food, he said: "I have no comment to make on this issue. I leave the head of the Iraqi regime to answer." On whether Kuwait had received a request from Libya to allow Libyan airliners to cross Kuwaiti air space he said: "This is an international decision and ought to be implemented by every country. Speaking as a Kuwaiti official, we have not received any request from Libya to allow its airliners to cross Kuwaiti air space."

His highness was asked whether the Kuwaiti delegation had discussed with Indonesia the question of preventing the proliferation of nuclear weapons. He stated that the question of preventing the proliferation of nuclear weapons is one of the important subjects that was discussed by the two sides at length. and that each side declared its stance on this issue. [passage omitted]

Reaction to German Demonstration Criticized BK1904075795 (Internet) INDONESIA Listserv in English 0627 GMT 14 Apr 95

["Press Release to the international media, especially in Indonesia" issued on 14 April in Hannover and Jakarta by the German group "Forum 95": "Opposition Threatened With Jail in Indonesia"]

[FBIS Transcribed Text] Hannover/Jakarta—One week ago the situation of human rights in Indonesia played an

important role in Germany. Now the political courage of two opposition members should be penalised. [sentence as received]

Dr Sri Bintang Pamungkas and Yeni Rosa Damayanti are threatened with imprisonment up to five years. This is the demand of President Suharto and members of military faction of the Indonesian parliament. Dr Pamungkas, Yeni Rosa Damayanti and a third person called Goenawan Mohamad are accused of organising demonstrations and events in Hannover and Dresden, both are cities in Germany.

"This is by any means ridiculous," says Ingo Jaeger, speaker of the German NGO-Forum 95 for the industrial fair in Hannover and international co-ordinator at the Hannover student union.

"At the beginning of February 1995 we joined about 20 other German organisations to prepare for the opening of the Hannover Fair in April," explains Mr Jaeger. "We were responsible for sleeping places and venues for lectures and discussions. In these matters we invited Yeni Rosa Damayanti and Dr Sri Bintang Pamungkas as competent speakers on the topic of economic dependencies of Indonesia."

In connection with other NGOs, Jaeger emphasises that groups like amnesty international organised the demonstration on the 1st of April. Trade unions and the Gesellschaft fuer bedrohte Voelker [Society for Threatened People] supported the appeal. Together with the Protestant church amnesty arranged a special divine service on the situation in East Timor. The BUKO-Campaign "Stop the arms export" did a podium discussion together with Sri Bintang and Juergen Trittin, a former Minister of Lower-Saxony.

"Yeni and Sri Bintang didn't have to do anything with the demo, not talking about Mr Goenawan Mohamad" states Jaeger, adding that Yeni and Bintang never visited Dresden.

"As former hosts of Dr Pamungkas and Mrs Damayanti we are anxious about what will happen to them being back in Indonesia, so NGO-speaker Jaeger. [sentence as received, no closing quotation mark as received] "The accusations reveal the hypocrisy of the Suharto regime when talking about democracy and freedom of speech in Indonesia and for Indonesian citizens."

Reading the statement of Army Chief of Staff General Hartono "The head of state represents the entire Indonesian nation and being treated like that, who would not be angry," adding "we will see later what action will be taken by the authorities." It shows to the student unionist what Indonesian officials think about democracy.

"It seems like Suharto is angry about his bad PR in Germany, but he will not improve by hanging Yeni, Bintang or anybody for something they never did"

judges Jaeger and hopes that the German minister for economy, Dr Rexrodt, considers these facts at his talks in Jakarta today.

Importance of Monetary Stability Stressed

BK1704141595 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 17 Apr 95

[Station commentary: "Monetary Stability Will Support A Free Market"]

[FBIS Translated Text] Dear listeners: Vice President Try Sutrisno has stated that monetary stability is not only important for the development of a free market but will also contribute to fair and even economic development. Opening the APEC finance ministers meeting in Bali, Vice President Try Sutrisno expressed his belief that it would be difficult to achieve a free and open market in the Asia-Pacific region by 2020, as embodied in the Bogor Declaration, if economic fluctuations continued.

According to the vice president, the world is undergoing very rapid changes. A year ago, no one expected international monetary stability to become a focus of global attention only in a short period of time. As Vice President Try Sutrisno noted, economic fluctuations, which have seriously affected international monetary stability, occurred during the period prior to the second APEC finance ministers meeting. A free market, which will become the key of an Asia-Pacific free trade area, will in fact become the final objective. However, no one is sure that the free market will become a short-term final choice [words indistinct] should cover a free flow of goods, services, and investment.

What does Indonesia expect from meetings in the APEC Forum? The yen's appreciation against the U.S. dollar, which is closely linked with Indonesia's debts. What is more worrisome is that the debts are dominated by the yen. According to Peter S. Sullivan [not further identified], Indonesia's debts have now reached U.S. \$100 billion. Thus, we should underline Vice President Try Sutrisno's hope that ideas would come out from the 18-member APEC meeting to help the world community to create a long-term stable monetary order, because such stability is very important for economic development. Certainly, if a monetary stability is maintained, Asia-Pacific economic prospects in 1995 will serve as an adequate foundation for efforts to achieve a free and open Asia- Pacific region.

Officials Offer Mixed Views on Inflation Rate

BK1804100695 Jakarta BISNIS INDONESIA in Indonesian 10 Apr 95 p 1

[FBIS Translated Excerpt] Jakarta (Bisnis)—Sugito S., head of the Central Statistics Bureau, says it is impossible for the inflation rate to be curbed at 5 percent in the coming nine months due to the strong impact of the

cement price increase to the consumer price index, which consists of housing and foodstuff sectors.

"If the inflation rate in the first three months of this year already reached 3 percent, it is impossible to curb the rate at 5 percent in the coming nine months," he said to reporters last weekend. However, Sugito noted that the government still has a chance to reduce inflation rate for April 1995 even though the inflation rate in the foodstuff sector is quite high.

"Before this, I was hoping that if the foodstuff supply was restored, the inflation rate could be reduced. But with the price increase of cement and other commodities, it will be hard to achieve that," he said.

Earlier, Finance Minister Mar'ie Muhammad stressed that it is still possible to maintain the single-digit inflation rate this year. "I am still confident that we will be able to maintain our single-digit inflation rate this year. That is all I want to say," said the minister after he opened the ninth conference of the Islamic Bank experts in Jakarta. [passage omitted on impact of commodity price increase]

Philippines

Lopez: U.S. Likely To Aid in War With PRC

BK2004093995 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0805 GMT 20 Apr 95

[FBIS Translated Text] The Philippines will be forced to go to war with China over the Spratlys issue if China declares war. This was revealed by Jaime Lopez, chairman of the House Committee on Foreign Affairs. Lopez said that although China is stronger militarily than the Philippines, Manila can still be effective in any military engagement. He added that there are other aspects that count in war beside the number and strength of personnel; however, Lopez failed to mention what these aspects are.

Congressman Lopez said further that there is a big possibility that the United States would take Manila's side due to the Mutual Defense Treaty between the two countries.

Ramos Assures No War With China

BK2004010295 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 19 Apr 95

[FBIS Translated Text] President Ramos has assured that there will be no war between China and the Philippines. According to the president, relations between the two countries remain fine up to this moment. According to the president, he has not received any reports from the defense and foreign affairs officials that could possibly be a basis for the country to be alarmed. It was reported earlier that China is preparing to go to war against the Philippines. The report is from a Chinese magazine said to have connections with the military. However, the

president has dismissed the report and said he will listen only to official ones and not just reports from any magazine.

House Speaker Says 'No War'

BK2004091895 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0805 GMT 20 Apr 95

[FBIS Translated Text] House Speaker Jose De Venecia still believes that no war will take place between the Philippines and China. In his news conference, De Venecia said the Philippines and China still has good relations in spite of the Spratlys issue. The Philippines reportedly respects the one-China policy.

Ramos: Terrorists' Trained in Afghanistan

BK2004091595 Manila MANILA STANDARD in English 18 Apr 95 p 3

[Report by Fel V. Maragay]

[FBIS Transcribed Text] Afghanistan, not Pakistan, is the site of clandestine training camps where international terrorists, possibly including Abu Sayyaf extremists from the Philippines, are being trained in guerrilla warfare, President Ramos revealed yesterday.

The president, in a hastily-called press briefing said Pakistani Prime Minister Benazir Bhutto had disclosed to him of the existence of these training camps during her two-day visit to Manila last February.

"What she told me is that this training for international terrorists is happening in Afghanistan near the Pakistan border and that Pakistan herself has been a victim of these international terrorists, whatever be their nationalities," Mr. Ramos said.

Alunan mission

Earlier, media reports emanating from Mindanao said Abu Sayyaf terrorists are being trained in batches in underground camps in Pakistan. Many of the trained Abu Sayyaf members have already returned to Mindanao, which explains the upsurge of their terrorist activities there, the reports said.

On Sunday [16 April], Interior and Local Government Secretary Rafael Alunan III flew to Pakistan armed with an official mission to discuss ways and means to strengthen the campaign against global terrorism.

Alunan's trip to Pakistan came on the heels of the president's order to the Armed Forces of the Philippines and Philippine National Police to isolate and crush the Abu Sayyaf terrorists by cutting their contacts with various terrorists groups abroad.

The president said that Alunan was invited by his Pakistani counterpart as a result of an agreement forged during Prime Minister Bhutto's recent visit to the Philippines.

"We agreed with Prime Minister Bhutto that we would jointly address and intensify our cooperation in combating international terrorism," he said.

Mr. Ramos said Bhutto was "most profuse" in her appreciation of the action of the Philippine Government in sharing with the international community, including Pakistan, vital information on the activities of international terrorist Ramzi Ahmad Yusuf, a Pakistani national.

Yusuf was subsequently arrested in Pakistan and is now facing court trial for the bombing of the World Trade Center in New York last year which killed several people.

The president said the fight against international terrorism is a "multilateral effort" because it is for the benefit of all peace loving countries.

"We have signalled the international community, specially those victims of international cooperation to lend their support in the same way that the Philippines has been performing and lending its support in uncovering international terrorists regardless of nationality," he said.

The president also said that a report that high-powered weapons being smuggled to Abu Sayyaf terrorists and Muslim rebels in Southern Philippines came from Afghanistan will be taken up in the forthcoming meeting of the National Security Council.

The National Intelligence Coordinating Agency has identified Afghanistan as a major source of firearms for Muslim terrorists and separatists.

Pakistan Said Willing To Help Fight Terrorism

BK2004131295 Quezon City ABC-DWET Television in Tagalog 1000 GMT 20 Apr 95

[FBIS Translated Text] The Pakistani Government is ready to help the Philippines in determining, monitoring, and preventing terrorist activities in Central Asia. This was reported by Raphael Alunan III, Department of Interior and local government secretary, from Pakistan, where he met with Pakistani Prime Minister Benazir Bhutto on the merging of the two countries' forces to combat terrorism and drug trafficking.

Alunan went to Pakistan last 17 April, on the orders of President Fidel Ramos, and is scheduled to return to the country tomorrow after a four-day visit.

Earile on Terrorist Threat to ASEAN Countries

BK2004133695 Quezon City ABC-DWET Television in Tagalog 1000 GMT 20 Apr 95

[FBIS Translated Text] Military officials from ASEAN member countries today met to address the security problems in Southeast Asia. In the meeting, General

Arturo Enrile, Armed Forces chief of staff, said cooperation among ASEAN members is important to resolve the problem of lawless elements.

Defense Secretary Renato De Villa, meanwhile, expressed his apprehension of threats by Muslim terrorists to the security of the region.

[Begin De Villa recording in English] Fundamentalism, per se, is widespread, but cannot by itself be called a security threat. It is extremism or radical fundamentalism that produces violence and caused the loss of lives that bears watching as far as we are concerned. [end recording]

Enrile on Preventing Entry

BK2004050195 Quezon City Radio Filipinas in English 0230 GMT 20 Apr 95

[FBIS Transcribed Text] Philippine Armed Forces Chief General Arturo Enrile says the military is now using all available means to prevent the entry and exit of terrorists using the country as backdoor. Enrile says the AFP [Armed Forces of the Philippines] is coordinating with other Asian countries to help in checking the entry of terrorists into the Philippines. He said that to prevent the growth of terrorism in the country, good coordination among government agencies is necessary. He, however, added that the threat of terrorism is real, but it has not reached a proportion that it has already affected the way of life in Manila.

PNP Official on Readiness To Counter Terrorism

BK2004133295 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0805 GMT 20 Apr 95

[FBIS Translated Text] The Philippine National Police [PNP] is ready for whatever violent acts terrorists may commit. This was the assurance given by Senior Superintendent David Aventurado, base commander of the Philippine National Police Headquarters at Camp Crame, where the six Arabs suspected as terrorists are in custody.

Aventurado said although the PNP has not received any threats yet from the terrorists, it continues its intelligence monitoring activities and has plans in place to counter whatever violence occurs. Authorities are worried about the influx of terrorists into the country.

The six Arab nationals, who were put on trial earlier in the day, are believed to be members of Hamas, suspected in the World Trade Center bombing and the federal building bombing in Oklahoma City.

Abu Sayyaf Said To Have Entered Basilan, Sulu

BK2004133495 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0805 GMT 20 Apr 95

[Italicized passages in English]

[FBIS Translated Text] Major General Edgardo Batenga, Southern Command chief, has admitted that some Abu Sayyaf members were able to enter Basilan and Sulu. In an interview with DZBB, General Batenga emphasized that they are intensifying their pursuit of the remaining Abu Sayyaf elements in Zamboanga del Sur.

[Begin Batenga recording in progress] ...intelligence information, it is not only in Basilan and Sulu, but they are still in some areas of Zamboanga del Sur, possible areas where they went. And we have now intensified our active pursuit operations in the areas. [end recording]

Batenga added that 42 Abu Sayyaf members have died in the continuing battle between government troops and the Muslim extremists. Batenga denied that the Abu Sayyaf have entered Zamboanga City. He said this is just part of the disinformation campaign.

[Begin Batenga recording] Well, that is the Abu Sayyaf disinformation campaign since we have launched our massive pursuit operations in the towns of Tungawan, Adilib, and Silaway. We even reached Siocon in order to ease up the pressure there. We have done what [as heard] the necessary measures in the ground so that we can preempt their threats. [end recording]

Military, Police on Alert in Butuan City

BK2004062595 Manila MANILA BULLETIN in English 13 Apr 95 p B-4

[Report by Mike Crismundo]

[FBIS Transcribed Text] Bancasi, Butuan City— Elements of the Armed Forces of the Philippines (AFP) and Philippine National Police (PNP) here have been placed on maximum alert in the wake of intelligence reports on the landing of heavily armed group in Butuan Bay.

The Northern Mindanao military command under Brig. Gen. Clemente P. Mariano, head of the 4th Infantry (Diamond) Division, has also mobilized the Philippine Navy, including the Philippine Coast Guard, to keep a "tight watch" not only on Butuan Bay and the Venapor coastal aress of Carmen town, but also on the coastal municipalities of Agusan del Norte, Surigao del Norte, and Camiguin Island.

The Bancasi airport, which serves as the headquarters of the Army and police here, and other vital government installations were placed under tight security.

Brig. Gen. Santos Gabison, commanding general of the Army's 401st Infantry Brigade based in New Leyte, Prosperidad, Agusan del Sur, was ordered to temporarily establish his command post at Bancasi.

Several six-by-six trucks of Army combatants from other battalions and supported by armored trucks have arrived to beef up the forces stationed here.

The Philippine Air Force's (PAF) 10th Composite Air Support Force (10th CASF), which is on standby alert, conducted air surveillance over the coastal areas in Northeastern Mindanao.

Agusan del Norte Police Director Cesar Elenzano mobilized two standby reaction mobile forces, including his newly organized 30 "Kababayan [Countryman] Centers" in all barangays [villages] and municipalities, to help gather intelligence information.

"We have enough forces to defend Butuan," Gabison said.

Combined Army and police elements have set up blockades and checkpoints in strategic areas in the province.

Both the Army and police confirmed reports on the landings of armed groups in these areas, it was gathered.

Military Studying Activities of Ipil Attackers

BK2004103295 Manila MANILA BULLETIN in English 15 Apr 95 p B-6

[Report by Vic Arevalo]

[FBIS Transcribed Text] Zamboanga City—The military has admitted they have no official dossier on the Islamic Command Council (ICC) which claimed responsibility for the April 4 attack on Ipil, Zamboanga del Sur.

Government and military authorities here blamed the extremist group of Abu Sayyaf as responsible for the attack.

Southern Command Chief Edgardo Batenga told reporters here that the military is still verifying the existence of the ICC. "We are still looking into the claim and the extent of its activities," Batenga said.

Other police officers here could not confirm the claim of the ICC, saying that this is the first time they heard about the group.

Two leaders of the Moro National Liberation Front (MNLF) denied that the ICC, supposed to be headed by Melham Alam, is a faction belonging to their movement.

ICC, according to Alam, is a breakaway faction of the MNLF, Basilan MNLF spokesman Amat Mohammad said.

Habib Abdurajid Habib Hussin, chief of the Bangsa Moro air division command in Mindanao, also said that ICC is a breakaway faction of Alam who was sacked by the MNLF hierarchy in 1990.

Ipil Massacre Suspects Officially Charged

BK2004102595 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 19 Apr 95

[FBIS Translated Text] The PNP [Philippine National Police] authorities are filing criminal charges against 31 people suspected of involvement in the massacre of

civilians in Ipil, Zamboanga del Sur, on 4 April. According to PNP Chief General Recaredo Sarmiento, included in those to be charged with destructive arson, robbery, multiple homicide and multiple attempted homicide, is an Abu Sayyaf commander identified as Husayn, a police SPO [Senior Police Officer] 4 Baharig Laurente, and a civilian. The three admitted to their participation or assistance in the attack of the civilians.

Ipil Attackers Said To Have Fled Zamboanga

BK2004080295 Quezon City Radio Filipinas in English 0230 GMT 20 Apr 95

[FBIS Transcribed Text] The Moro group of Muslim extremists who pillaged Ipil, Zamboanga del Sur has slipped through a military cordon and fled the Zamboanga Peninsula. Brigadier General Rene Cardones, head of the 1st Infantry Division, said the extremists have eluded the military dragnet and are now returning to their bases.

Ramos Says Peace Talks With MNLF To Continue

BK2004102495 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 19 Apr 95

[FBIS Translated Text] President Ramos has assured that peace talks with the Moro National Liberation Front [MNLF] will continue despite the government's suspicions that several MNLF members participated in the raid against the civilians in Ipil, Zamboanga del Sur. The president expressed confidence that continuing peace talks by the government with the MNLF will result in permanent peace in Mindanao.

Meanwhile, the AFP [Armed Forces of the Philippines] has sent two more naval gunships and additional naval troopers to the areas of Tungawan Bay, Zamboanga del Sur, following reports that several members of the Abu Sayyaf who participated in the Ipil massacre have escaped in motor boats. According to AFP Southcom [Southern Command] Chief Major General Edgardo Batenga, the Abu Sayyaf terrorists escaped after they were attacked by the Air Force helicopter gunships at Pinas Islands. There are now six naval gunships patrolling the area, looking for the terrorists.

Ramos on Truce Accord

BK2004103495 Quezon City Radio Filipinas in English 0230 GMT 20 Apr 95

[FBIS Transcribed Text] In Malacanang, President Ramos said his administration will review the existing cease-fire agreement between the Moro National Liberation Front, MNLF, which was accused of aiding the terrorists and the government. The president said he ordered Ambassador Manuel Yan, government negotiator for talks with the MNLF, to conduct the review.

The talks have been one of the topics of a meeting of the National Security Council tomorrow.

President Ramos's statement was the first public admission by an official that the raid on Ipil has affected the talks with the Moro National Liberation Front.

Thailand

Country Supports 'Fixed Extensions' of NPT BK2004052395 Bangkok BANGKOK POST in English 20 Apr 95 p 7

[FBIS Transcribed Text] Thailand will support fixed extensions of a Nuclear Non-Proliferation Treaty (NPT) so its content could be reviewed, Foreign Minister Krasae Chanawong said yesterday.

"The treaty should have a specific time limit, 10 to 20 years or so, during such periods we can make any amendments which might be needed," he said.

The Cabinet last week approved Thailand's position to support the treaty's extension for fixed periods. More than 170 countries on Monday began a month-long conference on nuclear weapons in New York to debate how to renew the 1970 treaty.

The United States and other nuclear powers support an indefinite and unconditional extension, but most developing countries support extensions for fixed periods with strings attached.

Dr Krasae said it would be unfair for developing countries to commit themselves indefinitely and unconditionally to the NPT as wanted by some Western countries.

The Thai government fully supports the principle of the NPT although in practice it is not implemented on an equitable basis, a senior Foreign Ministry official said.

"One criticism over the past 25 years is that the ideology of the treaty has never been put into reality. Those who have nuclear weapons did not try to reduce them while the havenots received no nuclear technology transfer," he said.

Vering for a fixed period extension would urge the West to realise they still have some obligation to fulfill and must pay more attention to the reduction of arms, another official said.

The 1970 Non-Proliferation Treaty represented a grand bargain between nuclear powers and non-weapon states.

Under its provisions, signatories are committed to prevent the spread of nuclear weapons beyond the five nations that acknowledge possessing them—the US, Russia, Britain, France and China.

The five pledged to work towards eliminating all nuclear arms.

The treaty also guarantees nations the right to develop peaceful nuclear technology under international supervision. With a duration of 25 years ending this year, member states are to decide whether to extend it indefinitely or for a fixed period or periods.

Non-nuclear states are worried that if the NPT is renewed indefinitely it might be like giving a "blank check" to nuclear weapon states, meaning too much freedom on this issue.

Thai officials said the extension for fixed periods would have a significant impact on security in the international community.

"The reason we stand for this category is because if we extend only for another period and that's it, it might cause many countries to prepare to build arms after the treaty," he said.

Such position of the Thai government coincides with the stance of other countries, particularly states in the Non-Aligned Movement (NAM).

The foreign ministers of NAM states are scheduled to meet in Bandung, Indonesia, April 24-27. One of the topics to be discussed includes the NPT renewal. But no common position of the grouping is expected.

ASEAN countries have a split stance between the indefinite extension and the fixed periods renewal.

Paper Views Significance of Nuclear Treaty BK2004052595 Bangkok BANGKOK POST in English 20 Apr 95 p 4

[Editorial: "Time for Nations to Live Up to Nuclear Agreements"]

[FBIS Transcribed Text] The recent actions in the field of nuclear development by several governments are curious, to say the least. Perhaps it is for the best. Perhaps China and Russia should sell nuclear technology to Iran and take the considerable profits. Perhaps North Korea should continue to work at reneging on its own agreement on nuclear development. Perhaps it is better if businessmen and some governments distribute technology strictly on the basis of who can pay for it. Perhaps there is no reason to consider whether nuclear disarmament is somehow in the common interest of mankind, at least when there is a profit in the making.

We would like to continue to think otherwise. It seems both ironic and fitting that most members of the world community have begun discussions on renewal of the 25-year-old Nuclear Non-Proliferation Treaty (NPT) this past week. The talks are taking place, fittingly, at the United Nations, a forum designed with the hope nations could discuss their international problems instead of fighting them out. But as the talks go on, a distressing number of events threaten to sink all hope for nuclear disarmament. No matter what agreement is reached in New York over the coming weeks, nuclear order remains at risk.

Take Chinese Foreign Minister Qian Qichen's response to American Secretary of State Warren Christopher. Bluntly, if politely, the Beijing diplomat said China will go ahead with a sale of pressurised water reactors to Iran. A similar deal already had been struck between Iran and Russia. Many nations are horrified at such a sale. The equipment to be sold to Iran can be used in nuclear weapons development. Experts believe Iran is pursuing secret development of nuclear arms. Both Beijing and Moscow insist they are not technically violating the Non-Proliferation Treaty.

This is a weak argument. It is almost as weak as that of North Korea, which has claimed in recent weeks it has the right to back out of a nuclear agreement. Pyongyang insists it will refuse to accept free nuclear energy reactors on the basis they are made in South Korea. Not only is it edging very close to welshing on its own word, but North Korea also has announced plans to start up reactors it had already shut down as part of its agreement.

If actions such as these continue, one must wonder if there is any use at all in negotiating a new Non-Proliferation Treaty. The admirable goal of the NPT is two-fold. First and foremost, it aims at preventing the spread of nuclear weapons beyond the nations which now possess them, particularly the United States, Russia, China, Britain and France. At the same time, the NPT mandates that the current owners of such weapons agree to get rid of them.

In some ways, these two goals have worked against each other. The nuclear powers have been reluctant to disarm, as many third world countries complain. But one of the chief stumbling blocks to nuclear disarmament is the danger of proliferation. Some nations continue to insist on their right to develop, test and stock such terrible weapons. India, Pakistan and Israel, for example, are notable by their absence from the NPT talks going on in New York. Even more worrisome, however are the rogue nations who are suspected of developing nuclear weapons while claiming they are only interested in building nuclear reactors to provide more light and power for their citizens.

It is impossible to forget one of the prime examples of such countries. Iraq was within a whisker of owning nuclear weapons when its programme was uncovered, by force, in the wake of the liberation of Kuwait. This case illustrated only too well that a few countries talk out of both sides of their governments' mouths. Iraq had always insisted it would never develop nuclear weapons, even as it had a massive weapons development programme under way in secret.

It is not time yet for the world to throw up its hands. Strong diplomacy is needed on all fronts. Thailand will vote in favour of NPT renewal. This is the correct move on that measure. It will also join calls for the nuclear powers to work more seriously on nuclear disarmament. This is an issue in everyone' interest. At the same time, countries which claim a shred of morality must also call

on nuclear powers China and Russia to consider their prospective customers more closely.

Government Demands Burma Probe Border Shooting

BK2004102095 Bangkok Radio Thailand Network in Thai 0000 GMT 20 Apr 95

[FBIS Translated Text] Referring to the death of Misuk Tonkaeo as the result of shooting by Burmese soldiers while crossing into Burma on 2 April, the Foreign Ministry feels that some time has elapsed without concerted action by the Burmese side. Therefore, yesterday afternoon the Foreign Ministry summoned Burmese Charge d'Affaires Nyunt Maung Shein to receive an aide memoire to demand that the Burmese Government investigate the incident, consider financial compensation to the victim's family, and prevent reoccurrence of such incidents.

Regarding the Cambodian bandits robbery and murder of two Thai policemen by Cambodian bandits on 5 April, whose bodies were found in Cambodian territory under control of Cambodian soldiers opposite Ta Phraya District of Sakaeo Province, the Thai Government asked the Cambodian soldiers in the area to quickly punish the bandits. The Cambodian side organized a unit to hunt the bandits. The Foreign Ministry received a report from Praphat Chathahan, head of the Thai-Cambodian liaison office, that on 16 April the Cambodian unit surrounded three suspected bandits, and the ensuing clash resulted in a bandit being killed. Two others escaped. The Cambodian military unit has pledged to hunt the escaped bandits.

Denmark Signs Loan for Mekong Water Development

BK2004094895 Bangkok Radio Thailand Network in English 0000 GMT 20 Apr 95

[FBIS Transcribed Text] Denmark yesterday signed an agreement in Bangkok under which it will provide a fund of U.S. \$1.7 million to support the Mekong Water Resources Development Project.

The agreement on action plan for water resources development in upper basin Phase Three was signed by Counseller of the Royal Danish Embassy in Bangkok [Erik Larsen] and Mr [name indistinct], officer in charge of the Secretariat of the Mekong River Commission. It represented the first one ever concluded by the Mekong River Commission after its establishment on 5 April 1995.

The commission comprises Cambodia, Laos, Vietnam, and Thailand as members. The main objectives of the Mekong Water Resources Development Project is to prepare the ground for a major multisectoral effort to protect the water and the source and promote its sustainable use for the benefit of one million people in this part of central highlands in Vietnam. Phase One of the

project started in April 1993, Phase Two has just been completed, and Phase Three is scheduled to last 22 months.

The project is being operated by the Secretariat of the Mekong River Commission which has replaced the old Mekong Committee.

Cabinet Approves Insurance Sector Amendment BK2004094595 Bangkok BANGKOK POST in English 20 Apr 95 p 16

[FBIS Transcribed Text] The Cabinet has approved a Commerce Ministry proposal to amend four ministerial regulations which were issued under the 1992 Life and Non-Life Insurance Laws.

The changes will make the legislation comply with the insurance liberalisation programme approved by the Cabinet last week, freeing up Thailand's insurance market which has been closed for more than 10 years.

The four ministerial regulations, which involve the issuing of insurance operating licences to both local and foreign applicants, have now been sent to the Council of State for consideration.

The Commerce Ministry has set no limitation on the number of licences that may be issued during the three month period which will begin as soon as the Council of State completes the required legal processes in about three month's time.

However, the ministry and the Cabinet have set out several conditions to ensure that applicants for licences have a genuine intention to run a business.

The ministerial regulations state that before they may submit their application, applicants must register their new company and place a bond deposit and reserved fund at the ministry.

An application for a new licence must be submitted to the ministry within six months of the company registering. The application must include the company's plan for operating its insurance business, where it will generate premiums from and a complete list of its management staff and their qualifications.

Foreign applicants who want to set up branches in Thailand will be subject to even stricter rules, according to the new draft of the ministerial regulations. Foreign insurance firms must apply for life insurance or non-life insurance licences and must have been in business for at least three years to be eligible to apply.

The new president of the General Insurance Association, Sarawut Phasuwanitphong, has objected to the liberalisation of the insurance industry saying there are already too many insurance companies in the market, especially in the non-life insurance sector which numbers 62 firms.

"There are only some 20 insurance companies in Japan and not over 20 in Taiwan and I see no urgency for us to have more firms," said Mr Sarawut.

He demanded stricter conditions be imposed on new applicants to prevent speculation on the new insurance licences. Speculation on insurance licences was allegedly rife in the past when licences were traded for more than 50 million baht.

To prevent this type of speculation, the Insurance Department has proposed that the licences must not change hands in the first three years and shareholders in a new company must not also be staff members of existing companies.

Although he does not agree with the liberalisation plan, Mr Sarawut said he was optimistic that opening up the market by offering unlimited licences would prevent firms from paying under-the-table money to relevant authorities to obtain a licence.

Mr Sarawut agreed with previous statements by the president of the Life Assurance Association, Sunthon Bunsai, that head-hunting for managerial level staff members will begin in the industry soon and will form the core competition within the industry.

Official Urges Sensitivity to Southern Muslims BK2004052495 Bangkok BANGKOK POST in English 20 Apr 95 p 8

[FBIS Transcribed Text] A senior official from the Interior Ministry yesterday voiced concern that the situation in the Muslim-dominated southernmost provinces might flare up in the near future if government officials continue to treat Islamic culture and traditions without respect.

The official, a Buddhist, said he was deeply concerned with the present situation in the area, noting that during the past months there was a worrisome trend in which local Muslims were aware that their culture and tradition had been trespassed on by a number of local officials who intentionally ignored Muslim concerns.

"What I could say is that the new trend concerns me," said the official who has been working in the southern-most area for more than a decade.

Citing a recent incident in Yala Province where a Islamic-named school was changed to a Thai name, the official said he was surprised to learn that one provincial school called Tabing Ting Ngi was later changed to Taling Chan.

"I can tell you that such changes upset and disappoint local Muslims. We Thai Buddhists should learn to respect their culture and tradition or else tension in the area would be inevitable as some disgruntled Muslims might revolt against the Government," warned the official.

The official said he did not know who ordered the change; however, he urged the Government, especially Education Minister Samphan Thongsamak and Interior Minister Sanan Khachonprasat, to look into the matter before it turned explosive.

"I have closely communicated with local Muslims who complained about the issue," said the official.

Recalling last week's incident in which old tyres were set afire on 20 different roads in the three southernmost provinces, the official said what had not been reported in the Press was that a number of official public signs in several Muslim villages had also been vandalised by a new terrorist group known as Tantra Jihad Islam [TJI].

"I feel that such vandalism is quite strange here and I view it as a sign of more trouble in the future if the situation is not rectified by our officials," said the official who tried to play down the threat posed by the TJI group.

He said the National Security Council had tried its utmost during the past years to resolve problems in the area and had issued a new policy to be used by local officials in the Muslim-dominated provinces. However, a number of senior officials had ignored it which deteriorated the situation in the area.

"This is a very sensitive issue and senior officials who had been posted in the area should know about it," said the official who admitted that he was disappointed with the new Fourth Army Region Commander Lt Gen Panthep Phuwanatnurak who had distanced himself from local Muslims since his appointment late last year.

"You could ask all Muslim leaders in the area and you will know how they feel about the commander. He is a nice guy but I don't think that he is suitable for the job," said the official.

In a related development Army Commander Wimon Wongwanit yesterday said the situation in the southern-most provinces had been greatly improved and urged the Press not to sensationalise the situation in the area as he was concerned that such reports could scare away investors.

Gen Wimon did not specify who was responsible for last week's tyre burning incident, saying only that the incident was instigated by a group of people who wanted to create more tension in the area.

Asked if some local officials had caused problems and were not accepted by local people Gen Wimon said the majority of government officials posted in the area have ability.

The commander said the country would have already collapsed if the majority of government officials were bad and inept.

"We have to admit that we have good and bad people in every sector but the bad people are in the minority. What

we should do is allow good and capable people to administer the country," said the commander who will retire by the end of the year.

Victnam

Hanoi Said 'Ready' To Normalize Ties With U.S. BK2004090395 Hanoi Voice of Vietnam in English 1000 GMT 19 Apr 95

[FBIS Transcribed Text] Vietnam wants normal relations with the United States and says a decision is up to the U.S. President, Bill Clinton. Vietnamese Deputy Foreign Minister Le Mai told REUTERS that Vietnam was ready because it would be beneficial for both countries and for the region. The Vietnamese deputy minister also said there was a growing interest in the United States over the relations with Vietnam, although there remains a question raised by outstanding political differences. He also criticized charges by American news services that Hanoi was holding U.S. prisoners-of-war and pointed out that this was not an issue between the two governments. Meanwhile, the normalization process of relations between Vietnam and the United States has increased considerably. During April, many delegations from the United States came to Vietnam to promote cooperation between the two countries.

Do Muoi Continues Official Visit in Tokyo

Talks With Prime Minister

BK1904160995 Hanoi VNA in English 1546 GMT 19 Apr 95

[FBIS Transcribed Text] Hanoi VNA April 19—Talks were held in Tokyo yesterday between visiting Vietnamese Communist Party General Secretary Do Muoi and Japanese Prime Minister Tomiichi Murayama.

Also present with the Vietnamese party leader at the talks were Nguyen Manh Cam, Politburo member of the party C.C. [Central Committee] and foreign minister; Hong Ha, secretary of the party C.C. and head of its External Relations Commission; and Tran Duc Luong, Politburo member of the party CC and deputy prime minister.

The two leaders informed each other of the situation in their respective countries and exchanged views on orientations and measures to promote the friendship and cooperation between the two countries and on international and regional issues of common concern.

They expressed their satisfaction at recent steps of development in the Vietnam-Japan relations in conformity with the two countries' interests, thus contributing to the trend for peace, stability, cooperation and development in the region and the world as a whole.

They reached the same view that both countries wished to cooperate in and share the benefit from the consolidation of the trend for peace and cooperation.

Party General Secretary Do Muoi confirmed Vietnam's treasure of the two countries' relations and high appreciation of Japan's important role in and its contributions to the region and the world.

The party leader stressed that though the time-honoured relations between the two countries have undergone ups and downs, Japan's strengthening of its economic and cultural cooperation with Vietnam would help close the past and past [as received] and further promote the bilateral relationship.

On the relations between the two countries, Mr. Muoi highly appreciated Japan's support to the renewal policy of Vietnam its integration into the regional and international community and participation in regional and international organisations.

Mr. Muoi expressed his wish that Japan would broaden its cooperation with and increase its investment in and its official development assistance (ODA) to Vietnam with priority given to projects on infrastructure development and environment.

He pointed to Vietnam's foreign policy of independence, sovereignty, multilateralization and diversification with the foremost task to promote cooperative ties with Asian-Pacific countries and at the same time to pay attention to developing of relations with other countries as well as regional and world organizations.

For his part, Japanese Prime Minister Tomiichi Murayama highly valued the current renovation process carried out by the Vietnamese people and affirmed Japan's determination to support and assist Vietnam in economic development by pushing up cooperation with and investment in Vietnam and keeping on granting it non-refundable aid, and helping it in personnel raining and management structure reform.

The Japanese prime minister laid stress on his government and people's desire to expand cultural exchange with Vietnam, promote mutual understanding, and together with Vietnam consolidate and develop the two countrys' comprehensive relationship.

He said Japan backed Vietnam's admission into the Association of Southeast Asian Nations (ASEAN) and the World Trade Organization (WTO), and the early normalization of the Vietnamese-US relationship which, in the Japanese leaders words, would make positive contributions to peace and stability in the Asian-Pacific region.

He continued by saying that Japan highly appreciated Vietnam's positive contributions to maintaining peace and stability in Indochina and held that coordination among the Indochinese countries for this target was vital to turning Southeast Asia into a zone of peace, stability

and development. He also suggested a number of measures to be taken to accelerate economic, cultural and educational cooperation between the two countries.

Thereafter, the Vietnamese party leader and the Japanese prime minister witnessed the signing of notes of exchange on Japanese aid in audio-visual equipment for Ho Chi Minh City University and on Japan's ODA of 58 billion yen for Vietnam for the 1994 fiscal year.

Meets Emperor, Attends Meetings

BK1904162295 Hanoi VNA in English 1601 GMT 19 Apr 95

["General Secretary Do Muoi's Activities in Japan"-VNA headline]

[FBIS Transcribed Text] Hanoi VNA April 19— Vietnamese party General Secretary Do Muoi, who arrived in Tokyo on Monday [17 April] for a five-day visit to Japan, this morning paid a courtesy visit to Japanese Emperor Akihito, who later held a banquet in the Royal Palace to the Vietnamese distinguished guests.

Also this morning, Mr. Muoi and his entourage were feted by the Japan-Vietnam Friendship Parliamentary League (JVFPL), then met with Mr. Watanabe, JVFPL president.

In the afternoon, Mr. Muoi cordially received Mr. Fuwa Tetsuzo, president of the Presidium of the Japanese Communist Party Central Committee.

The Vietnamese party leader met with representatives of Japanese friendship associations including the Japan-Vietnam Friendship Association, the Japan-Vietnam Association for Scientific and Technological Cooperation, and the Japan-Vietnam Trade Relations Association.

In the evening, Vietnamese Ambassador to Japan Nguyen Tam Chien held a banquet welcoming the Vietnamese delegation.

Vo Van Kiet Receives Former UK Prime Minister BK1904154695 Hanoi VNA in English 1522 GMT 19 Apr 95

[FBIS Transcribed Text] Hanoi VNA April 19—Prime Minister Vo Van Kiet affirmed that Vietnam emphasises importance to promoting the time-honoured cooperative ties with the United Kingdom of Britain.

Prime Minister Kiet was speaking while receiving here this afternoon British former Prime Minister Edward Heath, who is now on a visit to Vietnam.

Mr. Kiet expressed his pleasure at the new step of development of the bilateral, multi-sided, friendly, and cooperative relations between the two countries for mutual benefit.

In turn, Mr. Edward Heath applauded the great achievements and progress gained by the Vietnamese people and government in their renovation process, particularly in economic development, trade, and investment, and the growing development of the friendship and cooperation between the two countries. He renewed his country's wishes to promote cooperative ties with Vietnam in the fields that it has gained experience and its undertakes to encourages and create favourable conditions for its leading companies to invest in Vietnam for prosperity and progress of each country, for peace, stability and development in the world as a whole.

Commentary Sees Challenges in Joining ASEAN

952E0070A Hanoi QUAN DOI NHAN DAN in Vietnamese 5 Feb 95 p 3

[Article by Hong Ky]

[FBIS Translated Excerpt] [Passage omitted] Joining ASEAN will create new potentials and strengths for Vietnam. Vietnam will have favorable conditions for becoming an integral part of the region and the world. Participating in ASEAN also means implementing an open foreign policy and varying and pluralizing relations with a spirit of being friends with everyone. By joining ASEAN, Vietnam will help hit the ASEAN target of forging every closer ties among the 10 Southeast Asian countries. Regional cooperation will be strengthened, and ASEAN will carry "greater weight" in the international arena.

The process of having Vietnam become a full member of ASEAN began officially when Vietnam signed the ASEAN Treaty of Friendship and Cooperation (called the Bali Accord) in July 1992. Since then, Vietnamese-ASEAN cooperation has been strengthened greatly, particularly in the economic and commercial field. Vietnam has signed about 50 government-level economiccommercial, investment, and scientific and technical agreements with the 6 ASEAN countries. It can be said that Vietnamese integration in ASEAN is above all economic integration. The ASEAN countries presently play the leading role in foreign investment in Vietnam, with the gross value of investments exceeding \$1.5 billion. The ASEAN countries are Vietnam's main customers. The value of Vietnamese-ASEAN trade accounts for 30 percent of the value of Vietnam's foreign trade.

But there are also many people who have mentioned the differences between our economic level and structure and that of the ASEAN countries. After decades of growth at a rate of approximately 10 percent, many ASEAN countries have reached a good level of economic development. The per capita national income of Singapore, for example, is more than \$18,000 a year. The lowest is that of Indonesia, with a per capital national income of \$650 a year, which is still three times the \$220 a year in Vietnam. The difference in economic standards and on other fronts is one of the reinforcing factors in

cooperation between Vietnam and ASEAN. Vietnam can strive to learn the lessons already learned by the ASEAN countries in industrializing and becoming a part of the world market. Vietnam's efforts to grow at a rapid rate in a favorable international environment will narrow the gap between Vietnam and ASEAN.

To become a full member of ASEAN, Vietnam must participate in about 80 ASEAN cooperative projects with the European Union (EU), Canada, Australia, and so on. Each year, ASEAN holds about 300 conferences for technical specialists. Thus, the question is, what steps should be taken to facilitate the process of Vietnamese-ASEAN integration? Vietnam and ASEAN are conducting negotiations in an effort to find the most suitable steps. The Vietnamese minister of foreign affairs, Nguyen Manh Cam, said that "even after becoming a full member of ASEAN, Vietnam won't have to attend every meeting or participate in every project of ASEAN. Initially, Vietnam can participate in just a number of projects and meetings of ASEAN. Later on, we will gradually participate more fully." Depending on the circumstances, Vietnam will first participate in ASEAN projects in the spheres of science, technology, culture, information, the environment, public health, and tourism. These initial steps will help Vietnam to understand ASEAN and lead to full participation in ASEAN.

By the year 2005, ASEAN will form a free trade zone (AFTA) with tariffs in the 0-5 percent range. As an official member of ASEAN, Vietnam will participate in AFTA. This will create favorable conditions for Vietnamese-ASEAN trade. But this will also pose a great challenge for the production industries in Vietnam.

Vietnam wants to become a full and active member of ASEAN. Vietnam is striving to catch up to the ASEAN countries. We are actively switching to a state-regulated market economy, transforming the economic structure, and revising our commercial and investment policies in accord with the region and world. Integrating Vietnam with this region will enable Vietnam to join the world economy.

State Bank Governor on Foreign Loan Guarantees BK2004102795 Hanoi VIETNAM INVESTMENT REVIEW in English 3-9 Apr 95 p 7

[Interview with State Bank Governor Cao Sy Kiem by Hoai Thu; place and date not given]

[FBIS Transcribed Text] Victnam Investment Review [VIR]: Which commercial banks can guarantee and reguarantee foreign loans?

Cao Sy Kiem: [CSK] Only credit organizations permitted (by the State Bank) to carry out foreign exchange business are permitted to guarantee and re-guarantee foreign loans. In fact, in the eyes of international organizations, only major credit organizations—mainly, State-owned banks—of high prestige are seen as suitable.

The central State Bank, when required to by international organizations, will provide guarantees and reguarantees for other domestic credit organizations. For key national projects involving large amounts of capital, and where directed to do so by the Government, the State Bank will give direct guarantees. [sentence as published] This hasn't happened much so far.

VIR: How many local banks guarantee foreign loans?

CSK: Since Decree 58/CP was issued, overseas borrowing has been tightly controlled. Where (foreign) lenders require direct bank guarantees, any eligible commercial bank can consider offering its guarantee, and ask the borrower to put up their assets as collateral.

The State Bank encourages business to make long-tern loans. This is better for the local economy, and in tune with national economic development.

Recent loans the State and commercial Banks have guaranteed include those for the Ching Fong cement joint venture company, which borrowed US\$29.7 million over 11 years from Nissho Iwai, and a US\$26 million loan from France for Vietnam Airlines, with a term of 12 years and one month.

VIR: Have there been cases where loans guaranteed by the Bank could not be settled according to the terms and conditions?

CSK: Businesses applying for foreign loans have to be very careful with their calculations and in considering the effectiveness of the loan.

So far commercial overseas borrowing is not as large as it might be. It has helped with imports of modern technology—Vietnam Airlines bought two ATR-72 airplanes—or equipment for cement, iron, or steel plants.

Almost all the loans guaranteed by the Bank are longterm. Up to now, there are no cases where loans have not been paid to foreign parties in accordance with the terms and conditions committed to (the loans).

In the course of guaranteeing the loans, the banks have under taken to keep close supervision over the use of the loans.

That way they can take action quickly if the money is not being used effectively.

VIR: What happens if banks are asked to guarantee loans bigger than their capacity to do so?

CSK: State Bank regulations allow commercial banks in that situation to co-guarantee loans. In practice, commercial banks have only been involved in reguaranteeing, and no co-guarantee has ever happened yet.

VIR: How do you see the future for guaranteeing commercial overseas borrowing? CSK: Capital needs for domestic economic development, particularly for infrastructure, are quite large. Key projects like cement, power, iron and steel manufacturing projects are now in urgent need of capital.

Foreign investors are also eager to invest in Vietnam. The State Bank will coordinate with relevant ministries and agencies to work out how to guarantee projects invested using capital from overseas loans.

The conditions for a project to be guaranteed are that the investment must have a focus (i.e. on a specific project), it must be effective, and repayment on time must be assured.

National Assembly Continues Work in Hanoi

Issues Communique No. 17

BK1904015095 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 18 Apr 95

["Communique No. 17" issued by the National Assembly Office in Hanoi on 18 April]

[FBIS Translated Text] Under the chairmanship of Chairman Nong Duc Manh, the National Assembly worked in the Conference Hall today and carried out these tasks:

1. To continue questioning and hear the answers from the following representatives of the government:

Tran Xuan Gia, vice chairman of State Planning Committee, continued to answer questions about a number of issues in relation to investment for capital construction, investment capital for mountain regions, the 327th program and other programs, raised by the following delegates: Trang A Pao and Cu Hoa Van from Lao Cai; Nguyen Thiet Hung from Khanh Hoa; Nguyen Thi Hoai Thu from Tien Giang; Truong Thi Khue from Quang Tri; Nguyen Van Sy from Gia Lai; Bui Bich Lien from Lam Dong; and Tran Thi Le Thu from Binh Dinh.

Finance Minister Ho Te reported on the implementation of the 1994 state budget, the budget allocation for 1995, measures to encourage savings and reduce losses in the state budget, modification and refinement of tax policy, and remuneration awards for grassroots level medical staff. Eight delegates raised some issues that required further explanations. They were: Tran Quoc Thai from Ha Tinh; Do Hoang Hai from Ho Chi Minh City; Hoang Thi Bich Ly from Lang Son; Ha Thai Binh from Soc Trang; Truong Thi Khue from Quang Tri; Vuong Thi Nghi from Lao Cai; Nguyen Thi Thanh from Nam Ha; and Do Van An from Son La.

Water Conservancy Minister Nguyen Canh Dinh reported on the handling of breaches to dike regulations in Hanoi at the Yen Phu-Nhat Tan dike section, and on his ministry's management responsibility in this matter. There were five delegates expressing their views: Le Van Tri from Thanh Hoa; Nguyen Truc Luyen from Cao

Bang; Nguyen Duc Hoan from Quang Tri; To Tu Thanh from Binh Dinh; and Le Quoc Khanh from Quang Nam-Danang.

Mai Ky, minister and chairman of the Population and Family Planning Commission, answered questions on population and family planning issues. Three delegates offered their opinions: Truong Minh Thang from Minh Hai; Ton That Bach from Hanoi; and Nguyen Thi Le from Quang Ninh.

Ministers Ho Te, Nguyen Canh Dinh, and Mai Ky answered all questions from the delegates. Deputy Prime Minister Phan Van Khai then briefed the assembly on a number of issues brought up in discussions, and reaffirmed the determination of the government and all sectors and echelons in striving for successful implementation of all 1995 tasks.

 Tran Xuan Gia, vice chairman of State Planning Committee, on behalf of the drafting committee, the National Assembly's Economic and Budget Committee, and the Secretariat, read the general review of all opinions contributed by delegates to the draft of the state business law.

Tomorrow the National Assembly will continue its work in the Conference Hall.

Issues Communique No. 18

BK1904153595 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 19 Apr 95

["Communique No. 18 issued by the National Assembly's Seventh Session" on 19 April]

[FBIS Translated Text] Under the direction of National Assembly Vice Chairman Nguyen Ha Phan, the National Assembly gathered today at the conference hall to discuss and pass the law on state enterprises.

The National Assembly heard Ly Tai Luan, director of the Economic and Budget Committee—who acted on behalf of the Law-Drafting Committee, the meeting secretariat, and the standing board of the Economic and Budget Committee—read the full text of the draft law on state enterprises.

Prior to their voting for passage, 50 deputies aired their views which centered on the following issues:

- -some notions on the draft law on state enterprises.
- -the organizational management of state enterprises.
- the delineation of the duties between the administrative council and the director-general of state enterprises.
- -some phrases and terms used in the draft law on state enterprises and their way of presentation.

Tomorrow the National Assembly will continue working on the law on state enterprises and a resolution for the assembly session.

More Party Members Admitted Nationwide in 1994

BK2004140595 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 20 Apr 95

[FBIS Translated Text] In 1994, party organizations nationwide admitted 58,612 new party members. This accounts for an increase of 17.65 percent compared with 1993. Thirteen out of 64 party organizations directly under the management of the central party committee reported a high percentage of new membership compared with 1993. The party organizations of the Economic Bloc and Son La, Tra Vinh, and Dac Lac Provinces belonged to this group. Youth union members accounted for 55.63 percent of newly admitted party members, women for 20.32 percent, and ethnic minority people for 12.18 percent. The educational level of newly admitted party members was also higher compared with 1993. New party membership was reported by 48.97 percent of party installations nationwide. This accounts for an increase of 11.21 percent compared with 1993. The party organizations of the Central Mass Mobilization Bloc and Ben Tre, An Giang, Tra Vinh, Quang Ninh, Son La, and Hai Hung Provinces fell into this category.

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